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TITLE 10. INVESTMENTS
CHAPTER 5. INSURANCE COMMISSIONER
SUBCHAPTER 3. INSURERS

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Article 7.1

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REGULATIONS GOVERNING RATES AND CHARGES

ARTICLE 7.1

TITLE INSURANCE STATISTICAL PLAN AND RELATED RULES GOVERNING RATES AND CHARGES

SUBARTICLE 1.

GENERAL PROVISIONS AND DEFINITIONS

Section 2355.1 Purpose

This article is adopted to implement the provisions of chapter 1 of part 6 of division 2 of the Insurance Code that relate to the rate-regulatory laws pertaining to the business of title insurance. The purpose of this article includes, but is not limited to, the establishment of rules governing the reporting of financial data and the filing, review, and use of rates and premiums charged for the business of insurance in this state to the end that such rates shall not be excessive, inadequate, or unfairly discriminatory.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2355.2 Scope

This article applies to every title insurer, underwritten title company, and controlled escrow company doing business in this state.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2355.3 Definitions

(a) “Adjusted total” means the corrected total multiplied by the ratio of the expense inflation factor to the productivity growth factor.

(b) “Advisory organization” means an entity satisfying the definition of Insurance Code Section 12340.8, that is in compliance with Insurance Code Sections 12402

through 12402.2, and that has been designated by the Commissioner pursuant to Insurance Code Section 12401.5.

(c) *“Amount of insurance” means the maximum liability under the policy of title insurance.*

(d) *“Calculated total” means the sum of the reported data.*

(e) *“Concurrent policy” means a second (or subsequent) policy issued by a title insurance company or its affiliate at or around the same time that the title insurance company issues the first title insurance policy in the transaction.*

(f) *“Conveyancing fees” means the fee charged by a public entity for the act of recording a deed, deed of trust, mortgage, lease, or other written instrument for the purpose of effecting the sale, transfer, encumbrance, or lease of real property.*

(g) *“Corrected total” means the calculated total corrected by the Commissioner in his discretion for missing and erroneous data.*

(h) *“Date of application” means the date on which the rate filing is stamped “Received” by the Department of Insurance Rate Filing Bureau.*

(i) *“Effective date” means the date that a filed rate is scheduled for use by a title insurer, underwritten title company, or controlled escrow company. Except as provided in Insurance Code Section 12401.71, an effective date for a filed rate shall be no earlier than the 30th day following the Commissioner’s receipt of the filed rate. Any title insurer, underwritten title company or controlled escrow company that seeks to implement a reduction from an existing rate in accordance with Insurance Code Section 12401.71 shall demonstrate that the reduction from an existing rate meets the definition of a “rate decrease” as provided in this section.*

(j) *“Effective period” means the twelve-month period commencing on the effective date of the rate filing.*

(k) *“Escrow transaction” means the opening of a full escrow, whether or not escrow closes.*

(l) *“Full escrow” means the complete set of escrow activities associated with a typical residential transaction, including, at a minimum: serving as the liaison to all parties in the transaction; preparing escrow instructions; requesting a preliminary title search or title commitment to determine the present condition of title to the property; complying with the*

lender's requirements as specified in the escrow agreement; receiving purchase funds from the buyer; preparing or securing the deed or other documents related to escrow; prorating taxes, interest, insurance and rents according to instructions; securing releases of all contingencies or other conditions required; recording deeds and any other documents as instructed; closing escrow when all instructions from buyer and seller have been carried out; disbursing authorized funds; and preparing final statement.

(m) *“Historical period” means the most recent year for which totals from the statistical plan are available.*

(n) *“Inspection fees” means the charge by a person engaged in the business of title insurance for the physical inspection, and report thereon, of real property. The charge for a survey of property boundaries is not included in “inspection fees.”*

(o) *“Miscellaneous charges” means conveyancing fees, notary fees, inspection fees, and tax service contract fees.*

(p) *“Non-purchase other-than-refinancing transaction” means a non-purchase transaction other than a refinancing transaction.*

(q) *“Non-purchase refinancing transaction” means a non-purchase transaction in which a first mortgage or equivalent loan is satisfied.*

(r) *“Non-purchase transaction” means a transaction other than a purchase transaction.*

(s) *“Notary fees” means the fees charged by a notary public for the service of certifying and acknowledging signatures in the course of transacting the business of title insurance.*

(t) *“Other services” means a service or product related to the business of title insurance other than a preliminary report, a title insurance policy, full escrow, or subescrow.*

(u) *“Preliminary report transaction” means the order of a preliminary title report, whether or not a title insurance policy subsequently issues on the transaction that is the subject of the preliminary report.*

(v) *“Publish” means to promulgate and to post on the Department of Insurance web site, www.insurance.ca.gov.*

(w) *“Purchase transaction” means a transaction in which ownership of residential property changes hands.*

(x) *“Rate decrease” means a filing for a rate change the effect of which is to lower rates. An application that increases any rates covered by the application does not constitute a rate decrease.*

(y) *“Region” means:*

(1) *“South” in the case of the Counties of Kern, Los Angeles, Orange, Riverside, San Diego, San Luis Obispo, Santa Barbara, and Ventura;*

(2) *“Bay Area” in the case of the Counties of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Sonoma; and*

(3) *“Rest of State” for all other counties.*

(z) *“Residential property” means any real property containing four or fewer dwelling structures, an individually owned unit in a common interest development as defined in Civil Code Section 1351, subdivision (c), or an individually owned piece of real property where the same individual maintains a registered mobile home. A residential property, for purposes of this definition, must be located in this state and used primarily for residential purposes. Unimproved land purchased for the purpose of erecting four or fewer dwelling structures on that land is included in this definition of “residential property.”*

(aa) *“Subescrow” means funds transfer for lenders in those situations where another entity, typically an independent escrow company, is performing other escrow activities.*

(bb) *“Tax service contract fees” means the amount charged for the service of monitoring property tax payments on a residential property for the purpose of notifying a mortgagee, in the event that the subject property’s taxes become delinquent.*

(cc) *“Title insurance company” means a title insurer, an underwritten title company, or a controlled escrow company.*

(dd) *“Title insurance transaction” means the sale of a residential property or the refinancing of a mortgage for a residential property associated with the issuance of a title insurance policy or policies.*

(ee) *“Unusual risk” means coverage for a title insurance policy peril that is not covered by a standard form or endorsement and for which a charge in excess of filed rates is made pursuant to Insurance Code Section 12401.8.*

(ff) *“Unusual service” means a service in the business of title insurance that is not part of a preliminary report, title insurance policy, full escrow, subescrow or other service filed with the Department and for which a charge in excess of filed rates is made pursuant to Insurance Code Section 12401.8.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2355.4 Projection factors

(a) *“Expense inflation factor” means 1 plus the last 12 months’ percent change in the consumer price index reported by the Bureau of Labor Statistics for all urban consumers (Series CUUR0000SA0, not seasonally adjusted, U.S. city average, all items) for the historical period.*

(b) *“Productivity growth factor” means 1 plus the 12 months’ percent change in productivity reported most recently by the Bureau of Labor statistics for nonfarm businesses for the historical period.*

(c) *“Historical existing home sales” (HistExistSales) means the actual number of existing home sales in California as reported by the California Association of Realtors for the historical period.*

(d) *“Forecasted existing home sales” (FcstExistSales) means the forecast (as of the date of filing) of the number of existing-home sales in the effective year reported by the California Association of Realtors. If there is no such reported forecast, “forecasted existing home sales” means the forecast for the latest available 12-month period from the California Association of Realtors.*

(e) *“Historical new home sales” (HistNewSales) means the actual number of new home sales in California as reported by the California Department of Finance for the historical period.*

(f) *“Forecasted new home sales” (FcstNewSales) means the forecast (as of the date of filing) of the number of new home sales in the effective year reported by the California Department of Finance. If there is no such reported forecast, “forecasted new home*

sales” means the forecast for the latest available 12-month period from the California Department of Finance.

(g) *“Historical refinancings” (HistRefis) means the actual number of mortgage originations for refinancings in California as reported by the Mortgage Bankers Association for the historical period.*

(h) *“Forecasted refinancings” (FcstRefis) means the forecast (as of the date of application) of mortgage originations for refinancings in the effective year reported by the Mortgage Bankers Association. If there is no such reported forecast, “forecasted refinancings” means the forecast for the latest year available from the Mortgage Bankers Association.*

(i) *“Historical transactions” (HistoricalTrans) means the sum of the historical new home sales, historical existing home sales, and the historical refinancings.*

(j) *“Forecasted transactions” (ForecastTrans) means the sum of the forecasted new home sales, forecasted existing home sales, and the forecasted refinancings.*

(k) *“Transactions growth factor” (TransGrowthFactor) means*
(1) the ratio of the forecasted transactions (ForecastTrans) to the number of transactions for the historical period (HistoricalTrans)
(2) raised to the quantity n, which is the number of months between the midpoint of the period on which the weighted median home value forecast is based and the midpoint of the historical period, divided by 12.

Stated as an equation:

$$\text{TransGrowthFactor} = (\text{ForecastTrans}/\text{HistoricalTrans})^{n/12}$$

(l) *“Historical existing home median value” (HistExistValue) means the actual median value of existing home sales in California as reported by the California Association of Realtors for the historical period.*

(m) *“Forecasted existing home median value” (ForecastExistValue) means the forecast (as of the date of filing) of the median value of existing-home sales in California for the effective period as reported by the California Association of Realtors. If there is no such reported forecast, “forecasted existing home median value” means the forecast for median*

value of existing home sales in California as reported by the California Association of Realtors for the latest available 12-month period.

(n) “Historical new home median value” (*HistNewValue*) means the actual median value of new home sales in California as reported by the California Department of Finance for the historical period.

(o) “Forecasted new home median value” (*FcstNewValue*) means the forecast (as of the date of filing) of the median value of new home sales in California for the effective period as reported by the California Department of Finance. If there is no such reported forecast, “forecast new home median value” means the forecast for median value of new home sales in California as reported by the California Department of Finance for the latest available 12-month period.

(p) “Historical refinancings median value” (*HistRefiValue*) means the actual median value of mortgage originations for refinancings in California as reported by the Mortgage Bankers Association for the historical period.

(q) “Forecasted refinancings median value” (*FcstRefiValue*) means the forecast (as of the date of filing) of the median value of mortgage originations for refinancings in California for the effective period as reported by the Mortgage Bankers Association. If there is no such reported forecast, “forecasted refinancings median value” means the forecast for median value of mortgage originations for refinancings in California as reported by the Mortgage Bankers Association for the latest available 12-month period.

(r) “Historical median value” (*HistoricalMedValue*) means

(1) the sum of

(A) the amount

(i) historical existing home sales

(*HistExistSales*);

(ii) multiplied by historical existing home

median value (*HistExistValue*);

(B) the amount

(i) historical new home sales

(*HistNewSales*);

(ii) multiplied by historical new home

median value (*HistNewValue*); and

(C) the amount

(i) historical refinancings (*HistRefis*);

(ii) multiplied by historical refinancings

median value (*HistRefiValue*);

(2) divided by the historical transactions (*HistoricalTrans*).

Stated as an equation:

$$\text{HistMedValue} = \frac{(\text{HistExistSales} * \text{HistExistValue} + \text{HistNewSales} * \text{HistNewValue} + \text{HistRefis} * \text{HistRefiValue})}{\text{HistoricalTrans}}$$

(s) “Forecasted median value” (*ForecastMedValue*) means

(1) the sum of

(A) the amount

(i) forecasted existing home sales

(*FscstExistSales*);

(ii) multiplied by forecasted existing home

median value (*FcstExistValue*);

(B) the amount

(i) forecasted new home sales

(*FcstNewSales*);

(ii) multiplied by forecasted new home

median value (*FcstNewValue*); and

(C) the amount

(i) forecasted refinancings (*FcstRefis*);

(ii) multiplied by forecasted refinancings

median value (*FcstRefiValue*);

(2) divided by the forecasted transactions (*ForecastTrans*).

Stated as an equation:

$$\text{ForecastMedValue} = \frac{(\text{FstExistSales} * \text{FstExistValue} + \text{FstNewSales} * \text{FstNewValue} + \text{FstRefls} * \text{FstReflValue})}{\text{ForecastTrans}}$$

(t) “Market value growth factor” (*MarketGrowthFactor*) means

(1) the quantity

(A) forecasted median value (*ForecastMedValue*);

(B) divided by historical median value
(*HistoricalMedValue*);

(2) raised to the quantity

(A) *n*, the number of months between the midpoint of
the historical period and the midpoint of the effective period,

(B) divided by 12.

Stated as an equation:

$$\text{MarketGrowthFactor} = \left(\frac{\text{ForecastMedValue}}{\text{HistoricalMedValue}} \right)^{\frac{n}{12}}$$

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.

Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2355.5 **Advisory organizations**

(a) The Commissioner shall designate two advisory organizations, as follows,
with which to consult on the implementation of this article:

(1) The Commissioner shall designate one statistical agent to serve

as an advisory organization. The statistical agent shall have at least five years of experience in data collection, data maintenance, data quality control, accounting, and related matters, and shall have among its members title insurers and underwritten title companies. The statistical agent shall be responsible for receiving data from or on behalf of the Commissioner and process the data in accordance with this article and with the directions of the Commissioner. The statistical agent shall be funded by its members in accordance with the rules of that organization, and in an amount determined by that organization.

(2) *The Commissioner shall designate one statistical adviser to serve as an advisory organization. The statistical adviser shall have at least five years of experience in title insurance and in economic or actuarial analysis and shall have experience representing consumers in insurance matters. The statistical adviser shall be responsible for advising the Commissioner and the statistical agent on implementation of this article.*

(b) *The statistical agent and statistical adviser shall each be selected by separate competitive bidding in response to requests for proposals. In selecting the statistical adviser, the Commissioner may consider cost, qualifications, and a demonstrated understanding of the services required to implement this article.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2355.6 Findings

Pursuant to Section 12401.3 of the Insurance Code, the Commissioner finds that a reasonable degree of competition does not exist in the following phases of the business of title insurance:

- (a) *title search, examination, and commitment;*
- (b) *issuance and servicing of title insurance policies;*
- (c) *escrow and closing; and*
- (d) *other services.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2355.7 *Public hearing on statistical plan and financial data*

Not less frequently than annually, the Commissioner shall, prior to their publication, hold an informational hearing for the purpose of receiving and reviewing comments on the compilations, corrections, and calculations made and used pursuant to this article.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.

Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2355.8 *Public information*

(a) *The following reports submitted pursuant to subarticle 2 of this article are public information and are subject to production pursuant to the Public Records Act, Government Code Section 6250 et seq.*

<i>TI02</i>	<i>California and Countrywide Balance Sheet</i>
<i>TI03</i>	<i>California and Countrywide Income Statement</i>
<i>TI04</i>	<i>Detailed Personnel Expense Report</i>
<i>TI06</i>	<i>Report of Work Charges / Premium Splits</i>
<i>TI07</i>	<i>Report of Amounts Paid To or Received From Other Licensees and Affiliates</i>
<i>TI08</i>	<i>Report of Other Services</i>
<i>TI09</i>	<i>Facilities Location Report</i>
<i>TI10</i>	<i>Report of Title Premium by Underwritten Title Company</i>
<i>TI11</i>	<i>Report of Escrow Discounts and Surcharges</i>
<i>TI12</i>	<i>Six-Year Report of Selected Data</i>
<i>TI13</i>	<i>Report of Unusual Charges</i>
<i>TI15</i>	<i>Loss Development Report</i>
<i>TI16</i>	<i>Report of Title Policy Forms, Endorsements, Discounts and Surcharges</i>

<i>UTC02</i>	<i>California and Countrywide Assets and Liabilities Report</i>
<i>UTC03</i>	<i>California and Countrywide Income Statement</i>

<i>UTC04</i>	<i>Detailed Personnel Expense Report</i>
<i>UTC06</i>	<i>Report of Work Charges / Premium Splits</i>
<i>UTC07</i>	<i>Report of Amounts Paid To or Received From Other Licensees and Affiliates</i>
<i>UTC08</i>	<i>Report of Other Services</i>
<i>UTC09</i>	<i>Facilities Location Report</i>
<i>UTC11</i>	<i>Report of Escrow Discounts and Surcharges</i>
<i>UTC12</i>	<i>Six-Year Report of Selected Data</i>
<i>UTC13</i>	<i>Report of Unusual Charges</i>

(b) *Any company submitting a report pursuant to subarticle 2 or this article that claims that any portion of the submission contains trade secret information shall so advise the Commissioner at time of submission and shall specify the trade secret information by report number and data element together with a statement why the information is a trade secret.*

(c) *Information claimed as a trade secret pursuant to the preceding subsection shall not be made public by the commissioner, pursuant to the California Public Records Act or otherwise, without first giving the company at least 30 days' written notice and an opportunity to object to the release and to seek a court order preventing release.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

SUBARTICLE 2.

STATISTICAL PLAN AND ANNUAL FINANCIAL DATA REPORTING REQUIREMENTS

Section 2356.1 California Title Insurance Statistical Plan and Annual Financial Data Reporting Requirements

This subarticle contains the California Title Insurance Statistical Plan and Annual Financial Data Reporting Requirements.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2356.2 Who is Required to Report

(a) *All title insurance companies licensed to transact business in California shall report their experience in the business of title insurance in California pursuant to the instructions of the California Title Insurance Statistical Plan.*

(b) *Underwritten title companies and controlled escrow companies shall report their experience in the business of title insurance in California pursuant to the instructions of the Annual Financial Data Reporting Requirements. Title insurance companies and underwritten title companies are required to file separate financial data reports for controlled escrow companies which are controlled by the title insurance company or underwritten title company whose activity is not otherwise included in the title insurance company or underwritten title company submission.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2356.3 What to Report

(a) *Title insurance companies shall submit the following financial data reports pursuant to the California Title Insurance Statistical Plan:*

<i>TI01</i>	<i>Title and Escrow Transaction Report</i>
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<i>TI02</i>	<i>California and Countrywide Balance Sheet</i>
<i>TI03</i>	<i>California and Countrywide Income Statement</i>
<i>TI04</i>	<i>Detailed Personnel Expense Report</i>
<i>TI05</i>	<i>Detailed Escrow Report</i>
<i>TI06</i>	<i>Report of Work Charges / Premium Splits</i>
<i>TI07</i>	<i>Report of Amounts Paid To or Received From Other Licensees and Affiliates</i>
<i>TI08</i>	<i>Report of Other Services</i>
<i>TI09</i>	<i>Facilities Location Report</i>
<i>TI10</i>	<i>Report of Title Premium by Underwritten Title Company</i>
<i>TI11</i>	<i>Report of Escrow Discounts and Surcharges</i>
<i>TI12</i>	<i>Six-Year Report of Selected Data</i>
<i>TI13</i>	<i>Report of Unusual Charges</i>
<i>TI14</i>	<i>Detailed Title Policy Report</i>
<i>TI15</i>	<i>Detailed Claim Report</i>
<i>TI16</i>	<i>Loss Development Report</i>
<i>TI17</i>	<i>Report of Title Policy Forms, Endorsements, Discounts and Surcharges</i>

(b) Underwritten title companies shall submit the following financial data reports pursuant to the Annual Financial Data Reporting Requirements:

<i>UTC0 1</i>	<i>Title and Escrow Transaction Report</i>
<i>UTC0 2</i>	<i>California and Countrywide Balance Sheet</i>
<i>UTC0 3</i>	<i>California and Countrywide Income Statement</i>
<i>UTC0 4</i>	<i>Detailed Personnel Expense Report</i>

<i>UTC0 5</i>	<i>Detailed Escrow Report</i>
<i>UTC0 6</i>	<i>Report of Work Charges / Premium Splits</i>
<i>UTC0 7</i>	<i>Report of Amounts Paid To or Received From Other Licensees and Affiliates</i>
<i>UTC0 8</i>	<i>Report of Other Services</i>
<i>UTC0 9</i>	<i>Facilities Location Report</i>
<i>UTC1 0</i>	<i>Report of Title Premium by Title Insurance Company</i>
<i>UTC1 1</i>	<i>Report of Escrow Discounts and Surcharges</i>
<i>UTC1 2</i>	<i>Six-Year Report of Selected Data</i>
<i>UTC1 3</i>	<i>Report of Unusual Charges</i>

(c) *For experience of controlled escrow companies that is not included in the submission of the title insurance company or underwritten title company which controls the controlled escrow company, the controlling title insurance company or underwritten title company shall, pursuant to the Annual Financial Data Reporting Requirements, submit the following financial data reports for each such controlled escrow company:*

<i>UTC0 1</i>	<i>Title and Escrow Transaction Report</i>
<i>UTC0 2</i>	<i>California and Countrywide Assets and Liabilities Report</i>
<i>UTC0 3</i>	<i>California and Countrywide Income Statement</i>

<i>UTC0 4</i>	<i>Detailed Personnel Expense Report</i>
<i>UTC0 5</i>	<i>Detailed Escrow Report</i>
<i>UTC0 6</i>	<i>Report of Work Charges / Premium Splits</i>
<i>UTC0 7</i>	<i>Report of Amounts Paid To or Received From Other Licensees and Affiliates</i>
<i>UTC0 8</i>	<i>Report of Other Services</i>
<i>UTC0 9</i>	<i>Facilities Location Report</i>
<i>UTC1 1</i>	<i>Report of Escrow Discounts and Surcharges</i>
<i>UTC1 2</i>	<i>Six-Year Report of Selected Data</i>
<i>UTC1 3</i>	<i>Report of Unusual Charges</i>

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2356.4 When to Report

(a) *The initial annual submission of all experience reports required by this statistical plan shall cover experience from January 1, 2008 through December 31, 2008 and must be received by the Commissioner on or before April 30, 2009.*

(b) *Following the initial submission, all experience reports required by this statistical plan shall cover experience in a calendar year and shall be received by the Commissioner on or before April 30 following the experience year reported. For example, the second annual submission shall cover 2009 experience and be received by the Commissioner no later than April 30, 2010.*

(c) *In order to assist reporting companies and the statistical agent with compliance with reporting requirements, each company shall, on or before June 30, 2008, submit all experience reports for the period January 1, 2008, through March 31, 2008, with the following limitations and exceptions.*

(1) *Balance sheet reports shall state financial condition as of March 31, 2008. Affected reports are TI02, UTC02, and portions of TI12 and UTC12.*

(2) *All reports other than TI02, TI16, UTC02, and the balance sheet portions of TI12 and UTC12 shall contain experience for the period January 1, 2008 through March 31, 2008 only and shall include only current period reporting. Prior period reporting is not required for this initial submission.*

(3) *Report TI16 should be reported in full detail as of December 31, 2007, meaning the most current reporting year is the full year 2007.*

(d) *Any underwritten title company or controlled escrow company having revenues less than \$10 million in the preceding calendar year and having less than 10% common ownership or control by or of any other title insurer, underwritten title company, or controlled escrow company may, on or before October 1, apply for a one-year extension of its reporting requirements pursuant to this section for the following year. The Commissioner shall grant the application only if the applicant has shown by sworn testimony and documentary evidence each of the following:*

(1) *That the applicant is making a diligent effort to comply with this subarticle,*

(2) *That suitable data-processing products and services are not commercially available, and cannot reasonably be expected to be available, to enable the applicant economically to comply with this subarticle in the following year.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2356.5 How to Report

(a) *What Constitutes a Submission. Each submission consists of a transmittal form, a certification and data reports for a single title insurance company or single underwritten title company. Experience of controlled escrow companies not otherwise included in the reports of the controlling title insurance company or underwritten title company shall be included in*

separate reports and included in the submission of the controlling title insurance company or underwritten title company.

(b) *Financial Data Reports Formats.* All data reports shall be submitted in the record layout and format prescribed for each report in this Statistical Plan. The following reports must be submitted using the spreadsheet templates provided by the Commissioner at the California Department of Insurance web site.

TI02	California and Countrywide Balance Sheet
TI03	California and Countrywide Income Statement
TI04	Detailed Personnel Expense Report
TI12	Six-Year Report of Selected Data
TI15	Loss Development Report
UTC02	California and Countrywide Balance Sheet
UTC03	California and Countrywide Income Statement
UTC04	Detailed Personnel Expense Report
UTC12	Six-Year Report of Selected Data

(1) *The remaining reports may be submitted in one of the following electronic formats:*

(A) *Spreadsheet compatible with Microsoft Excel;*

(B) *Database compatible with Microsoft Access; or*

(C) *Text File in Comma Delimited format, meaning field (column) entries are separated by commas and text entries are contained within quotation marks and records or rows are separated by a line break.*

(2) *Templates illustrating the required reporting format are provided by the Commissioner and available at the California Department of Insurance web site: www.insurance.ca.gov.*

(c) *Reporting No Experience.* If the reporting company has no experience to report for a particular report, the reporting company need not submit an electronic file for such

report but shall indicate no experience to report for any such report on the submission transmittal form.

(d) *Transmittal Form.* The transmittal form shall be submitted in electronic format using the spreadsheet template provided by the Commission at the California Department of Insurance web site. If a title insurance company or underwritten title company is submitting reports of a controlled escrow company which is controlled by the reporting title insurance company or underwritten title company but whose experience is not otherwise included in the reports of the controlling title insurance company or underwritten title company, a separate transmittal form must be submitted for the controlled escrow company reports.

The transmittal form shall contain the following information:

- (1) company name;
- (2) either
 - (A) NAIC company code for title insurance companies,
 - or
 - (B) California UTC code for underwritten title companies, or
 - (C) a company-supplied unique code from Z001 through Z999 for a controlled escrow company whose experience is not included in the reports of the controlling title insurance company or underwritten title company.
- (3) initial submission or resubmission;
- (4) name and format of files submitted;
- (5) number of records in each report submitted. An entry of zero for number of records indicates no experience to report for a specific report and, if the number of records is zero, no electronic file submission of the no-experience report is required; and
- (6) control totals for selected data fields for selected reports.

(e) *Certification.* Each submission must be accompanied by a certification by an officer of the reporting company that the information in the submission is complete, accurate and in compliance with relevant California laws and regulations. The certification must be made with a form provided by the Commissioner and available on the California Department of

Insurance web site, www.insurance.ca.gov, and such form will be in substantially the following form:

I, [Name of Officer of Company] of the [Name of Company], certifies (or declares) that I am the officer above designated by the title appearing after my name, of the above Company and am authorized by the Company to certify (or declare) and hereby do certify (or declare):

That I am the officer authorized to certify (or declare) to the accuracy of the attached or e-mailed submission (hereafter called the Submission).

That the Submission is a complete submission of the data required by California Code of Regulations, title 10, article 7.1, subarticle 2.

That the Submission complies with the requirements of California Code of Regulations, title 10, article 7.1, subarticle 2.

That the Submission represents a true and correct report of the data required by California Code of Regulations, title 10, article 7.1, subarticle 2.

That I understand Section 2015.5 of the Code of Civil Procedure provides that the above form of certification or declaration under the penalty of perjury is of like force and effect as verification under oath.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed at [Place] on [Date]

[Signature of Officer of Company]

The certification must be submitted in hard copy with original signature and as an electronic file in the Portable Document Format (pdf). If a title insurance company or underwritten title company is submitting reports of a controlled escrow company which is controlled by the reporting title insurance company or underwritten title company but whose experience is not otherwise included in the reports of the controlling title insurance company or underwritten title company, a separate certification must be submitted for the controlled escrow company reports.

(f) *Method of Delivery. Each submission - whether an initial annual*

submission or resubmission - shall be delivered to the Commissioner by a method with delivery confirmation.

(g) *Contents of Submission. Each submission shall include the required paper certification documents and a CD-ROM or DVD containing all the required electronic files, including all required data reports, transmittal form and electronic copy of the certification.*

(h) *File Naming Conventions.*

(1) *Initial Data Report Submission of a Title Insurance Company or Underwritten Title Company: Each data report shall be submitted as a separate electronic file and named using the following conventions:*

AAAA_BBBBBB_CCCCC.EEE

where

- *AAAA is the experience year reported;*
- *_ is a single space;*
- *BBBBBB is the report name;*
- *CCCCC is the California UTC Code for Underwritten Title Company Reports or the NAIC Company Code for Title Insurance Company Reports;*
- *EEE is the file extension, which must be .txt for a Comma Delimited file.*

Example: Report TI01 for 2006 experience from a title insurance company with an NAIC Code of 51111 submitted in a comma delimited format:

2006 TI01 51111.txt

(2) *Resubmission of a Data Report of a Title Insurance Company or Underwritten Title Company: If a data report is being resubmitted, the file name shall be:*

AAAA_BBBBBB_CCCCC_RX.EEE

where

- *AAAA is the experience year reported;*
- *_ is a single space;*

- *BBBBB is the report name;*
- *CCCCC is the California UTC Code for Underwritten Title Company Reports or the NAIC Company Code for Title Insurance Company Reports;*
- *RX is the number of the submission, with R1 being the first resubmission, R2 being the second resubmission and so on;*
- *DDD is the file extension, which must be .txt for a Comma Delimited file.*

Example: The first resubmission of the 2006 TI01 from a title insurance company with an NAIC Code of 51111 submitted in a comma delimited format:

2006 TI01 51111R1.txt

(3) *Initial Data Report Submission of a Controlled Escrow Company Whose Experience Is Not Included in the Data Report of the Controlling Title Insurance Company or Underwritten Title Company: For a data report of the experience of a controlled escrow company whose experience is not otherwise included in the reports of the controlling title insurance company or underwritten title company, the file name shall be:*

AAAA_BBBBB_ZZZZ_CCCC.EEE

where

- *AAAA is the experience year reported;*
- *_ is a single space;*
- *BBBBB is the report name;*
- *ZZZZ is a unique code assigned by the controlling title insurance company or underwritten title company to the controlled escrow company whose experience is being reported with codes starting with Z001 and continuing through Z999, as necessary;*
- *CCCCC is the California UTC Code for Underwritten Title Company Reports or the NAIC Company Code for Title Insurance Company Reports;*
- *DDD is the file extension, which must be .txt for a Comma Delimited file.*

Example: The initial submission of the 2006 UTC01 for a controlled escrow company controlled by an underwritten title company with the California UTC code of U1234 in spreadsheet format:

2006 UTC01 Z001 U1234.xls

(4) Resubmission of a Data Report of a Controlled Escrow Company Whose Experience Is Not Included in the Data Report of the Controlling Title Insurance Company or Underwritten Title Company: If a data report of the experience of a controlled escrow company whose experience is not otherwise included in the reports of the controlling title insurance company or underwritten title company is resubmitted, the file name shall be:

AAAA_BBBBBB_ZZZZ_CCCCC_RX.DDD

where

- AAAA is the experience year reported;*
- _ is a single space;*
- BBBBBB is the report name;*
- ZZZZ is a unique code assigned by the controlling title insurance company or underwritten title company to the controlled escrow company whose experience is being reported with codes starting with Z001 and continuing through Z999, as necessary;*
- CCCCC is the California UTC Code for Underwritten Title Company Reports or the NAIC Company Code for Title Insurance Company Reports;*
- RX is the number of the submission, with R1 being the first resubmission, R2 being the second resubmission and so on;*
- DDD is the file extension, which must be .txt for a Comma Delimited file.*

Example: The second resubmission of the 2006 UTC01 for a controlled escrow company controlled by an underwritten title company with the California UTC code of U1234 in spreadsheet format:

2006 UTC01 Z001 U1234 R2.xls

(5) *Transmittal Form for Title Insurance Company or Underwritten Title Company Reports: After completing the transmittal form using the spreadsheet template provided by the Commissioner, the reporting company shall rename the spreadsheet file to:*

YYYYDDMM_TRANS_BBBBB.EEE

- *YYYYMMDD is the date of the submission with YYYY being the year, MM being the number of the month and DD being the day, together representing the date of the submission or resubmission.*
- *_ is a single space;*
- *TRANS is a unique name for the transmittal form in all capital letters;*
- *BBBBB is the California UTC Code for Underwritten Title Company Reports or the NAIC Company Code for Title Insurance Company Reports;*
- *EEE is the file extension, which must be .xls for spreadsheet format.*

Example: The transmittal form for a title insurance company with an NAIC Code of 51111 accompanying a submission made on April 30, 2007 would be named:

20070430 TRANS 51111.xls

(6) *Transmittal Form for Data Reports of a Controlled Escrow Company Whose Experience Is Not Included in the Data Reports of the Controlling Title Insurance Company or Underwritten Title Company: After completing the transmittal form for the reports of the controlled escrow company using the spreadsheet template provided by the Commissioner, the reporting company shall rename the spreadsheet file to:*

YYYYDDMM_TRANS_ZZZZ_BBBBB.EEE

where

- *YYYYMMDD is the date of the submission with YYYY being the year, MM being the number of the month and DD being the day, together representing the date of the submission or resubmission;*
- *_ is a single space;*

- *TRANS is a unique name for the transmittal form in all capital letters;*
- *ZZZZ is a unique code assigned by the controlling title insurance company or underwritten title company to the controlled escrow company whose experience is being reported with codes starting with Z001 and continuing through Z999, as necessary;*
- *BBBBB is the California UTC Code for Underwritten Title Company Reports or the NAIC Company Code for Title Insurance Company Reports;*
- *EEE is the file extension, which must be .xls for spreadsheet format.*

Example: The transmittal form for a controlled escrow company controlled by a title insurance company with an NAIC Code of 51111 accompanying a submission made on April 30, 2007 would be named:

20070430 TRANS Z001 51111.xls

(7) Certification for Title Insurance Company or Underwritten Title Company Reports: Each submission must be accompanied by a certification using the form provided by the Commissioner in hard copy with original signature and as an electronic file in the Portable Document Format (pdf). The electronic copy of the certification shall be named:

YYYYDDMM_CERT_BBBBB.EEE

where

- *YYYYMMDD is the date of the submission with YYYY being the two digits of the year, MM being the number of the month and DD being the day, together representing the date of the submission or resubmission;*
- *_ is a single space;*
- *CERT is a unique name for the certification form;*
- *BBBBB is the California UTC Code for Underwritten Title Company Reports or the NAIC Company Code for Title Insurance Company Reports;*

- *EEE is the file extension, which must be .pdf for the Portable Document Format.*

Example: The certification form for a title insurance company with an NAIC Code of 51111 accompanying a submission made on April 30, 2007 would be named:

20070430 CERT 51111.pdf

(8) *Certification for Data Reports of a Controlled Escrow Company Whose Experience Is Not Included in the Data Reports of the Controlling Title Insurance Company or Underwritten Title Company: Each submission must be accompanied by a certification using the form provided by the Commissioner in hard copy with original signature and as an electronic file in the Portable Document Format (pdf). The electronic copy of the certification shall be named:*

YYYYDDMM_CERT_ZZZZ_BBBBB.EEE

where

- *YYYYMMDD is the date of the submission with YYYY being the two digits of the year, MM being the number of the month and DD being the day, together representing the date of the submission or resubmission;*
- *_ is a single space;*
- *CERT is a unique name for the certification form;*
- *ZZZZ is a unique code assigned by the controlling title insurance company or underwritten title company to the controlled escrow company whose experience is being reported with codes starting with Z001 and continuing through Z999, as necessary;*
- *BBBBB is the California UTC Code for Underwritten Title Company Reports or the NAIC Company Code for Title Insurance Company Reports;*
- *EEE is the file extension, which must be .pdf for the Portable Document Format.*

Example: The certification form for a title insurance company with an NAIC Code of 51111 accompanying a submission made on April 30, 2007 would be named:

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2356.6 *Where to Submit*

Each reporting company shall submit its experience reports, transmittal form and certification to the Commissioner of Insurance at the following address:

*Rate Specialist Bureau
Attn: Title Statistical Plan Submission
300 South Spring Street, 14th Floor
Los Angeles, CA 90013*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2356.7 *Data Quality Acceptance Standards*

(a) *Upon receipt of submitted data, the Commissioner will conduct a basic edit check of reported data. If the information on the transmittal form does not agree with the data tables or if greater than 1% of the records contain invalid formats, invalid codes and illogical entries, the Commissioner will reject the data submission and return it to the reporting company for correction and resubmission.*

(b) *In addition to the basic edit checks, the Commissioner will employ other means for verifying the accuracy of reported data, including audits of the accuracy of data submissions with particular attention to the reporting company's accurate categorization of revenues, expenses, assets and liabilities. The Commissioner may reject faulty data and require resubmission of corrected data at any time up to five years after the initial required submission date of the report.*

(c) *Reporting companies shall respond within ten business days to any inquiry from the Commissioner regarding a data submission, including an inquiry that requires a resubmission of data reports, unless the Commissioner provides specific approval for a longer time period for a response.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance

Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2356.8 Title Insurer Statistical Plan Reports

(a) **TI01 Title and Escrow Transaction Report.** *Each title insurance company shall submit this report of title, escrow and other services transactions by the title insurance company during the reporting period. Include transactions that were opened in previous years and which were closed or cancelled during the reporting period. Include transactions that were opened during the reporting whether or not the transactions were closed, cancelled or remained open at the end of the reporting period. Each title insurance company shall submit a report UTC01 for each controlled escrow company controlled by the title insurance company and whose experience is not otherwise included in the report TI01 of the title insurance company.*

(1) *This report can be visualized as a table where each row is a separate record corresponding to a separate transaction and each column is a separate data field. For this report, a transaction is the set of activities associated with a single property transaction. For example - for this report - a transaction might consist of title, escrow and other service activities if all those activities were performed for the same property transaction. Or the transaction might consist of only title activity if, for example, a preliminary report was the only activity performed for the particular property transaction. A transaction may consist of any combination of title, escrow and other services activities to the extent one or more of the activities were performed for a single property transaction. The data fields described for this report, below, can be visualized as the columns in a table.*

(2) *Any direct business - business conducted by the title insurance company without the involvement of an underwritten title company - should be included in this report. The reporting company shall include only that experience that would not otherwise be reported in any UTC01 report, which is the Title and Escrow Transaction Report of underwritten title companies, with the exception of activity involving work charges / premium splits with another underwritten title company or title insurance company. For example, the transaction activity associated with a title policy issued with the involvement of an underwritten title company will be reported in that underwritten title company's UTC01 report and should not be reported as a transaction by the title insurance company in TI01. However, a transaction that involves a work charge / premium split - described in the instructions for column TI01.F - should be reported by both organizations involved in that transaction reflecting their respective activities in the transaction. For example, if a title insurer and an underwritten title company employed a work charge / premium split for a title policy on a particular real estate transaction, both organizations should report their respective activity on that transaction in their respective Title and Escrow Transaction Reports.*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI01.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the title insurance company. A separate report is required for each title insurance company. A separate report is required for each controlled escrow company which is controlled by the title insurance company and whose experience is not otherwise included in the TI01 report of the title insurance company. The Title and Escrow Transaction Report for such a controlled escrow company reports should be completed using the UTC01 report format.</i>
<i>TI01.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number. Report experience during the reporting period.</i>
<i>TI01.C</i>	<i>Internal Transaction #</i>	<i>Report the internal transaction number or code used to identify this transaction from other transactions. If no such internal transaction numbers are used, create a unique number or code for each transaction.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI01.D</i>	<i>Type of Title and Escrow Transaction</i>	<p><i>Report one of the following codes. Title refers to a preliminary report, title policy, title guaranty or other activity regarding the assurance of title. Full escrow refers to the complete set of escrow activities associated with a typical residential transaction including, at a minimum:</i></p> <ul style="list-style-type: none"> <i>• Serving as the liaison to all parties in the transaction;</i> <i>• Preparing escrow instructions;</i> <i>• Requesting a preliminary title search or title commitment to determine the present condition of title to the property;</i> <i>• Complying with the lender's requirements as specified in the escrow agreement;</i> <i>• Receiving purchase funds from the buyer;</i> <i>• Preparing or securing the deed or other documents related to escrow;</i> <i>• Prorating taxes, interest, insurance and rents according to instructions;</i> <i>• Securing releases of all contingencies or other conditions required;</i> <i>• Recording deeds and any other documents as instructed;</i> <i>• Closing escrow when all instructions from buyer and seller have been carried out;</i> <i>• Disbursing authorized funds; and</i> <i>• Preparing final statement</i> <p><i>"Subescrow" refers to funds transfer for lenders in those situations where an entity other than the reporting company is performing other escrow activities. Subescrow typically occurs in Southern California when escrow is performed by independent escrow companies.</i></p> <ol style="list-style-type: none"> <i>1. Title and Full Escrow</i> <i>2. Title and Subescrow</i> <i>3. Title Only</i> <i>4. Full Escrow Only</i> <i>5. Subescrow Only</i> <i>6. None of the Above</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI01.E</i>	<i>Other Services</i>	<p><i>Report one of the following codes. Other services refer to services or products other than a preliminary report, title policy, full escrow or subescrow.</i></p> <ol style="list-style-type: none"> <i>1. Other Services Provided</i> <i>2. Other Services Not Provided</i>
<i>TI01.F</i>	<i>Work Charge / Premium Split</i>	<p><i>Pursuant to Insurance Code § 12412, a title insurance company may divide fees or charges, for work and services actually performed, between title insurance companies or between title insurance companies and underwritten title companies. A work charge or premium split refers to a payment from the reporting company to another title insurance company or to a title insurer or a payment to the reporting company from another title insurance company or underwritten title company. Some companies refer to work charges as premium splits because the company collecting the title premium or escrow fee pays a portion of the premium or escrow fee to another company for services provided in connection with the title or escrow transaction. Work charges / premium splits refer only to payments between title insurance companies, between underwritten title companies or between underwritten title companies and title insurers. Report one of the following codes:</i></p> <ol style="list-style-type: none"> <i>1. Paid a work charge to another title insurance company, underwritten title company or controlled escrow company</i> <i>2. Received a work charge from another title insurance company, underwritten title company or controlled escrow company</i> <i>3. Paid a work charge and received work charge from another title insurance company, underwritten title company or controlled escrow company</i> <i>4. No work charge paid or received</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI01.G</i>	<i>Type of Real Estate Transaction</i>	<p>Report one of the following codes:</p> <ol style="list-style-type: none"> 1. Residential Sale – New Home 2. Residential Sale – Resale of Existing Home 3. Residential Sale – Land Only 4. Residential Refinance 5. Residential Home Equity 6. Commercial or Industrial Sale 7. Commercial or Industrial Refinance 8. Other
<i>TI01.H</i>	<i>Street Address of Property</i>	Report the street address of the property that is the subject of the transaction.
<i>TI01.I</i>	<i>ZIP Code of Property</i>	Report the 5-Digit ZIP Code location of the property that is the subject of the transaction as XXXXX.
<i>TI01.J</i>	<i>County of Property</i>	Report the county location of the property that is the subject of the transaction.
<i>TI01.K</i>	<i>Source of Order</i>	Report the name of the source of the title and/or escrow order. The source of the title order is the entity referring the business to the title insurance company. The source of the title order may not be the reporting company itself. If the source of business is the escrow department of the reporting company, report the escrow department's source of business. Report the complete name of any real estate agent, real estate agency, lender, homebuilder or other business source. Report the business name of the source, if one exists.
<i>TI01.L</i>	<i>Affiliated Source</i>	Report 1 if the source of business is affiliated with the reporting company or 0 if the source of business is not affiliated with the reporting company.
<i>TI01.M</i>	<i>Date Order Opened</i>	Report the date the order was opened in YYYYMMDD format.
<i>TI01.N</i>	<i>Date Order Cancelled</i>	If the order was cancelled, report the date cancelled in YYYYMMDD format.

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI01.O</i>	<i>Date Order Closed</i>	<i>If the order was closed, report the date closed in YYYYMMDD format</i>
<i>TI01.P</i>	<i>Type of Title Transaction</i>	<i>Report one of the following codes:</i> <i>1. Concurrent Issue of Single Owner's Policy and Single Lender's Policy</i> <i>2. Concurrent Issue of Multiple Owner's Policies and Single Lender's Policy</i> <i>3. Concurrent Issue of Single Owner's Policy and Multiple Lender's Policies</i> <i>4. Concurrent Issue of Multiple Owner's Policies and Multiple Lenders' Policies</i> <i>5. Single Owner's Policy Only</i> <i>6. Single Lender's Policy Only</i> <i>7. Multiple Owners' Policies Only</i> <i>8. Multiple Lender's Policies Only</i> <i>9. Title Guaranty</i> <i>10. Other Title Transaction</i>
<i>TI01.Q</i>	<i>Preliminary Report Delivered</i>	<i>Report one of the following codes:</i> <i>1. Preliminary report delivered with no charge</i> <i>2. Preliminary report delivered with a charge</i> <i>3. Preliminary report prepared but not delivered</i> <i>4. No preliminary report prepared</i>
<i>TI01.R</i>	<i>Preliminary Report Charge</i>	<i>If a separate charge was made for the preliminary report, report the amount received for the preliminary report to the nearest dollar without commas, periods or dollar signs.</i>
<i>TI01.S</i>	<i>Title Premium Owner's Policy</i>	<i>If an owner's policy was issued, report the premium charge for the policy to the nearest dollar without commas, periods or dollar signs. If multiple owners' policies were issued, report the total premium charge for all owners' policies.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI01.T</i>	<i>Title Premium Lender's Policy</i>	<i>If a lender's policy was issued, report the premium charge for the policy to the nearest dollar without commas, periods or dollar signs. If multiple lenders' policies were issued, report the total premium charge for all lenders' policies.</i>
<i>TI01.U</i>	<i>Escrow Charge</i>	<i>If a charge was made for setting up, conducting or canceling full escrow, report the amount of the charge to the nearest dollar without commas, periods or dollar signs.</i>
<i>TI01.V</i>	<i>Subescrow Charge</i>	<i>If a charge was made for setting up, conducting or canceling subescrow, report the amount of the charge to the nearest dollar without commas, periods or dollar signs.</i>
<i>TI01.W</i>	<i>Other Services Charges</i>	<i>If a charge was made for other services, report the total amount of the charges to the nearest dollar without commas, periods or dollar signs.</i>
<i>TI01.X</i>	<i>Title Search / Examination Location</i>	<i>Report the code from TI09 for the name and location of the facility where the title search and examination was conducted. This data field must have an entry if the entry in TI01.0D is 1, 2 or 3.</i>
<i>TI01.Y</i>	<i>Title Policy Issuance Location</i>	<i>Report the code from TI09 for the name and location of the facility where the title policy was produced and issued from. This data field must have an entry if there is an entry in TI01.S or TI01T.</i>
<i>TI01.Z</i>	<i>Escrow Office</i>	<i>Report the code from TI09 for the name and location of the facility where the escrow was carried out. This data field must have an entry if the entry in TI01.D is 1, 2, 4 or 5.</i>
<i>TI01.AA</i>	<i>Independent Escrow Company</i>	<i>If the transaction involved escrow services performed by an entity other than the reporting company, report the name of that entity. If the transaction did not involve escrow services provided by an entity other than the reporting company, leave blank.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI01.AB</i>	<i>Independent Escrow Company Affiliation</i>	<i>If there is an entry in TI01.AA, report 1 if the entity is affiliated with the reporting company. Refer to Insurance Code Section 1215(a) for the definition of “affiliate” and “affiliated.” If there is no entry in TI01.AA, leave blank.</i>

(b) *TI02 California and Countrywide Balance Sheet. Report TI02 is a report of assets and liabilities for title insurance companies on a consolidated Generally Accepted Accounting Principles (GAAP) basis. Preparation of Report TI02 requires consolidation of countrywide financial results of subsidiaries, conversion of countrywide consolidated financial results to a GAAP basis, allocation of countrywide financial results to individual states and summarization of individual states’ financial results.*

(1) *A single Report TI02 should be submitted for a title insurance company and any of its subsidiaries which are engaged in the business of title insurance, including:*

- title insurance companies;*
- underwritten title companies; and*
- controlled escrow companies.*

(2) *A title insurance company licensed in California that is a subsidiary of another title insurance company or an underwritten title company licensed in California should not submit Report TI02, but have its experience included in the report of the parent. There should be only one submission for a parent title insurance company and all its subsidiaries engaged in the business of title insurance. Any title insurance company which is not submitting a Report TI02 because that company’s experience has been consolidated into a parent company’s submission should indicate on its (the subsidiary’s) individual submission transmittal form the name of the parent company which has submitted a Report TI02 or Report UTC02 which includes the experience of the subsidiary reporting company.*

(3) *Two or more title insurance companies - which are not subsidiaries of one another but are affiliated with one another because they are all subsidiaries of a parent holding company which is not a title insurance company, underwritten title company or controlled escrow company - must each submit a consolidated Report TI02 for the experience of the reporting company and any subsidiaries that are title insurance companies, underwritten title companies or controlled escrow companies.*

(4) *Report TI02 must be submitted using the spreadsheet template provided by the Commissioner on the Department of Insurance web site: www.insurance.ca.gov.*

(5) *Report TI02 includes two sections - assets / liabilities and adjustments. In the adjustments section, reporting companies shall report the consolidation and GAAP conversion adjustments made to individual statutory accounting reports for the business entities engaged in the business of title insurance in California.*

(6) *For most asset and liability items, the reporting company may choose the allocation method to assign the portion of those countrywide asset or liability amounts not identifiable with a specific state to California that best reflects amount of the asset or liability used to support the business of title insurance in California. The allocation of the following liability items is prescribed:*

(A) *Incurred But Not Reported Title Reserves: Allocate to California by the ratio of the sum of California-specific incurred title losses and California-specific title case loss reserves at the end of the reporting year to the sum of countrywide incurred title losses and countrywide title case loss reserves at the end of the reporting year.*

(B) *GAAP Net Worth: Allocate to California by the ratio of the sum of California reserves and California total revenue at the end of the reporting year to the sum of countrywide reserves plus total revenue at the end of the reporting year. Reserves are the sum of title case loss reserves, title incurred but not reported reserves and escrow loss reserves. Total revenue is the sum of gross title premium, escrow fees, subescrow fees and other services charges which are Lines TI03.01, TI03.04, TI03.05 and TI03.08, respectively, of Report TI03.*

(7) *Report TI02 requests experience for the current reporting year and the prior reporting year. For example, the 2007 TI03 report, submitted by April 30, 2008, contains assets and liabilities at year-end 2007 (the current reporting year) and at year-end 2006 (the prior reporting year).*

(8) *Reporting companies shall maintain any worksheets used in preparing Report TI02 for the six most recent reporting years.*

(9) *Data Fields for Section 1: Assets and Liabilities*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI02.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the reporting company. In a separate document accompanying the submission of this report, provide a list of the entities whose experience is consolidated into Report TI02.</i>
<i>TI02.B</i>	<i>Line #</i>	<i>Report the line number from the table in section 2356.8(b)(10) to indicate the asset or liability being adjusted or consolidated,.</i>
<i>TI02.C</i>	<i>Line Description</i>	<i>Report the line description corresponding to the line number in TI02.C.</i>
<i>TI02.D</i>	<i>California Current Year Total</i>	<i>Report the sum of columns TI02.I and TI02.P for this line. This is a calculated amount in the spreadsheet template.</i>
<i>TI02.E</i>	<i>California Prior Year Total</i>	<i>Report the sum of columns TI02.K and TI02.S for this line. This is a calculated amount in the spreadsheet template.</i>
<i>TI02.F</i>	<i>Elsewhere Current Year Total</i>	<i>Report the sum of TI02.H less TI02.D. This is a calculated amount in the spreadsheet template.</i>
<i>TI02.G</i>	<i>Elsewhere Prior Year Total</i>	<i>Report the sum of TI02.J less TI02.E. This is a calculated amount in the spreadsheet template.</i>
<i>TI02.H</i>	<i>Countrywide Consolidated Current Year Total</i>	<i>Report the consolidated GAAP-basis countrywide total for the current year for the asset or liability item in TI02.D. This amount comes from the consolidation worksheets.</i>
<i>TI02.I</i>	<i>Countrywide Consolidated Prior Year Total</i>	<i>Report the consolidated GAAP-basis countrywide total for the prior year for the asset or liability item in TI02.D. This amount comes from the consolidation worksheets.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI02.J</i>	<i>California Identifiable Current Year</i>	<i>Report the amount of the asset or liability item in TI02.D that is identifiable with California-only business for the current year. Report only the amounts for items exclusively associated with California-only business. The current year is the most recent experience period. This amount comes from the allocation worksheets.</i>
<i>TI02.K</i>	<i>California Identifiable Prior Year</i>	<i>Report the amount of the asset or liability item in TI02.D that is identifiable with California-only business for the prior year. Report only the amounts for items exclusively associated with California-only business. The prior year is the most recent experience period prior to the current year. This amount comes from the allocation worksheets.</i>
<i>TI02.L</i>	<i>Elsewhere Identifiable Current Year</i>	<i>Report the amount of the asset or liability item in TI02.D that is identifiable with individual states other than California for the current year. Report only those amounts for items exclusively associated with individual states other than California. This amount comes from the allocation worksheets.</i>
<i>TI02.M</i>	<i>Elsewhere Identifiable Prior Year</i>	<i>Report the amount of the asset or liability item in TI02.D that is identifiable with individual states other than California for the prior. Report only those amounts for items exclusively associated with individual states other than California. The prior year is the most recent experience period prior to the current year. This amount comes from the allocation worksheets.</i>
<i>TI02.N</i>	<i>Countrywide Non-Identifiable Current Year</i>	<i>Report the amount TI02.H less the sum of TI02.J and TI02.L. This is a calculated amount in the spreadsheet template.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI02.O</i>	<i>Basis for Allocation of Current Year Non-Identifiable</i>	<i>Report the basis for determining the share of the amount reported in TI02.N associated with California business. Stated differently, report the method of allocating a portion of the amount in TI02.N to California business. Examples include: Number of title policies closed Number of employees Number of claims Number of escrow orders opened</i>
<i>TI02.P</i>	<i>California Allocation of Countrywide Non-Identifiable Current Year</i>	<i>Report the amount of item TI02.N allocated to California business using the method described in TI02.O for the current year.</i>
<i>TI02.Q</i>	<i>Countrywide Non-Identifiable Prior Year</i>	<i>Report the amount TI02.I less the sum of TI02.K and TI02.M. This is a calculated amount in the spreadsheet template.</i>
<i>TI02.R</i>	<i>Basis for Allocation of Prior Year Non-Identifiable</i>	<i>Report the basis for determining the share of the amount reported in TI02.Q associated with California business for the prior year. Stated differently, report the method of allocating a portion of the amount in TI02.Q to California business for the prior year. Examples include: Number of title policies closed Number of employees Number of claims Number of escrow orders opened</i>
<i>TI02.S</i>	<i>California Allocation of Countrywide Non-Identifiable Prior Year</i>	<i>Report the amount of item TI02.Q allocated to California business using the method described in TI02.R for the prior year.</i>

(10) *Data Rows for Section 1: Assets and Liabilities*

The report of assets and liabilities should be prepared according to Generally Accepted Accounting Principles (GAAP).

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI02.01</i>	<i>Assets: Cash and Cash Equivalents</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>TI02.02</i>	<i>Assets: Accounts Receivable Net of Allowance for Doubtful Accounts</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>TI02.03</i>	<i>Assets: Notes/Loans Receivable</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>TI02.04</i>	<i>Assets: Prepaid Expenses</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>TI02.05</i>	<i>Assets: Deferred Income Taxes</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>TI02.06</i>	<i>Assets: Investments</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>TI02.07</i>	<i>Assets: Property and Equipment Net of Depreciation</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>TI02.08</i>	<i>Assets: Escrow Statutory Deposits with Insurance Commissioner</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>TI02.09</i>	<i>Assets: Goodwill / Costs in Excess of Assets Acquired</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>TI02.10</i>	<i>Assets: Title Plant</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>TI02.11</i>	<i>Assets: Aggregate Write-Ins for Assets</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is carried from the list of write-ins for assets.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
TI02.12	<i>Assets: Total</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines TI02.01 through TI02.11.</i>
TI02.13	<i>Liabilities: Accounts Payable and Accrued Expenses</i>	<i>Report consolidated and allocated GAAP amounts.</i>
TI02.14	<i>Liabilities: Title Premium Due Others</i>	<i>Report consolidated and allocated GAAP amounts.</i>
TI02.15	<i>Liabilities: Notes/Loans Payable</i>	<i>Report consolidated and allocated GAAP amounts.</i>
TI02.16	<i>Liabilities: Leases Payable</i>	<i>Report consolidated and allocated GAAP amounts.</i>
TI02.17	<i>Liabilities: Accrued Personnel Costs -- Salary, Bonus and Vacation Payable</i>	<i>Report consolidated and allocated GAAP amounts.</i>
TI02.18	<i>Liabilities: Pensions and Retirement Plans</i>	<i>Report consolidated and allocated GAAP amounts.</i>
TI02.19	<i>Liabilities: Title Case Loss Reserves</i>	<i>Report consolidated and allocated GAAP amounts.</i>
TI02.20	<i>Liabilities: Title Incurred But Not Reported Loss Reserves</i>	<i>Report consolidated and allocated GAAP amounts. Allocate to California by the ratio of the sum of California-specific incurred title losses and California-specific title case loss reserves at the end of the reporting year to the sum of countrywide incurred title losses and countrywide title case loss reserves at the end of the reporting year.</i>
TI02.21	<i>Liabilities: Escrow Claim Reserves</i>	<i>Report consolidated and allocated GAAP amounts.</i>
TI02.22	<i>Liabilities: Total Reserves</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines TI02.19 through TI02.21.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI02.23</i>	<i>Liabilities: Aggregate Write-Ins for Liabilities</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is carried from the list of write-ins for liabilities.</i>
<i>TI02.24</i>	<i>Liabilities: Total</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines TI02.13 through TI02.21 and TI02.23.</i>
<i>TI02.25</i>	<i>Equity: Stock</i>	<i>Report only consolidated GAAP amounts only in countrywide amount columns. Only total equity is allocated to California.</i>
<i>TI02.26</i>	<i>Equity: Additional Paid-In Capital</i>	<i>Report only consolidated GAAP amounts only in countrywide amount columns. Only total equity is allocated to California.</i>
<i>TI02.27</i>	<i>Equity: Retained Earnings</i>	<i>Report only consolidated GAAP amounts only in countrywide amount columns. Only total equity is allocated to California.</i>
<i>TI02.28</i>	<i>Equity: Aggregate Write-Ins for Equity</i>	<i>Report only consolidated GAAP amounts only in countrywide amount columns. Only total equity is allocated to California.</i>
<i>TI02.29</i>	<i>Equity: Total</i>	<i>This is a calculated amount for countrywide amount columns and no entry is required in the spreadsheet template. This entry is the sum of lines TI02.25 through TI02.28. For California amount columns, allocate to California by the ratio of the sum of California reserves and California total revenue at the end of the reporting year to the sum of countrywide reserves plus total revenue at the end of the reporting year.</i>
<i>TI02.30</i>	<i>Liabilities and Equity: Total</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines TI02.24 and TI02.29.</i>

(11) *Data Fields for Section 2: Adjustments for Consolidation and GAAP Conversion*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI02.AA</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the insurer group or holding company. In a separate document accompanying the submission of this report, provide a list of the entities whose experience is consolidated into Report TI02</i>
<i>TI02.AB</i>	<i>Line #</i>	<i>Report the line number from the table in section 2356.8(b)(10) to indicate the asset or liability item being adjusted or consolidated.</i>
<i>TI02.AC</i>	<i>Line Description</i>	<i>Report one of the following codes: 1. Consolidation Adjustment 2. GAAP Conversion Adjustment</i>
<i>TI02.AD</i>	<i>Reporting Period</i>	<i>Report one of the following codes: 1. Current Year 2. Prior Year</i>
<i>TI02.AE</i>	<i>Parent Company</i>	<i>If entry in TI02.AC is 1 (consolidation adjustment), report the complete name of the parent company.</i>
<i>TI02.AF</i>	<i>Subsidiary Company</i>	<i>If entry in TI02.AC is 1 (consolidation adjustment), report the complete name of the subsidiary company.</i>
<i>TI02.AG</i>	<i>Amount of Adjustment</i>	<i>Report the amount of the consolidation or GAAP conversion adjustment.</i>
<i>TI02.AH</i>	<i>Description of Adjustment</i>	<i>Provide a description of the consolidation or GAAP conversion adjustment in sufficient detail to enable a person familiar with SAP and GAAP accounting to understand the exact adjustment made. The spreadsheet template can accept detailed explanations.</i>

(c) **TI03** *California and Countrywide Income Statement. Report TI03 is a report of income and expenses for title insurance companies on a consolidated Generally Accepted Accounting Principles (GAAP) basis. Preparation of Report TI03 requires consolidation of countrywide financial results of subsidiaries, conversion of countrywide consolidated financial results to a GAAP basis, allocation of countrywide financial results to individual states and summarization of individual states' financial results.*

(1) *A single Report TI03 should be submitted for a title insurance company and any of its subsidiaries which are engaged in the business of title insurance, including:*

- title insurance companies;*
- underwritten title companies; and*
- controlled escrow companies.*

(2) *A title insurance company licensed in California that is a subsidiary of another title insurance company or an underwritten title company licensed in California should not submit Report TI03, but have its experience included in the report of the parent. Stated differently, there should be only one submission for a parent title insurance company and all its subsidiaries engaged in the business of title insurance. Any title insurance company which is not submitting a Report TI03 because that company's experience has been consolidated into a parent company's submission should simply indicate on its (the subsidiary's) individual submission transmittal form the name of the parent company which has submitted a Report TI03 which includes the experience of the subsidiary reporting company.*

(3) *Two or more title insurance companies - which are not subsidiaries of one another but are affiliated with one another because they are all subsidiaries of a parent holding company which is not a title insurance company, underwritten title company or controlled escrow company - must each submit a consolidated Report TI03 for the experience of the reporting company and any subsidiary title insurance companies, underwritten title companies or controlled escrow companies.*

(4) *Report TI03 must be submitted using the spreadsheet template provided by the Commissioner on the Department of Insurance web site:*
www.insurance.ca.gov.

(5) *Report TI03 includes two sections - income / expenses and adjustments. In the adjustments section, reporting companies shall report the consolidation and GAAP conversion adjustments made to individual statutory accounting reports for the business entities engaged in the business of title insurance in California.*

(6) *Report TI03 requests experience for the current reporting year and the prior reporting year. For example, the 2007 TI03 report, submitted by April 30, 2008, contains assets and liabilities at year-end 2007 (the current reporting year) and at year-end 2006 (the prior reporting year).*

(7) *For most expense items, the reporting company may choose the allocation method to assign the portion of those countrywide expense amounts that are not*

identifiable with a specific state to California that best reflects amount of the expense used to support the business of title insurance in California. The allocation of the following expense items is prescribed:

(A) Unallocated Title Loss Adjustment Expense:

Allocate to California by the ratio of the sum of California-specific incurred title losses and incurred title allocated loss adjustment expense to the sum of countrywide incurred title losses and incurred title allocated loss adjustment expenses. Allocated loss adjustment expenses are claim settlement expenses that are solely associated with a specific title claim. Unallocated loss adjustment expenses are other claim settlement expenses which are not solely associated with a specific title claim.

(B) Unallocated Escrow Loss Adjustment Expense:

Allocate to California by the ratio of the sum of California-specific incurred escrow losses and incurred escrow allocated loss adjustment expense to the sum of countrywide incurred escrow losses and incurred escrow allocated loss adjustment expenses. Allocated loss adjustment expenses are claim settlement expenses that are solely associated with a specific escrow claim. Unallocated loss adjustment expenses are other claim settlement expenses which are not solely associated with a specific escrow claim.

(8) Reporting companies shall maintain any worksheets used in preparing Report TI03 for the five most recent reporting years.

(9) Report TI03 includes some expense categories that may be pass-through items on a real estate transaction closing statement, where pass-through means that the amount for a particular item by a party to the transaction is the exact amount received by a service provider other than the reporting company. Reporting companies should not include pass-through items in reported income or expenses.

(10) TI03 Data Fields for Section 1: Income and Expenses

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI03.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the title insurance company. A separate report is required for each title insurance company. A separate report is required for each controlled escrow company which is controlled by the title insurance company and whose experience is not otherwise included in the TI03 report of the title insurance company. The California and Countrywide Balance Sheet for such a controlled escrow company reports should be completed using the UTC0 3report format.</i>
<i>TI03.B</i>	<i>Line #</i>	<i>Report the line number from the table in section 2356.8(c)(11) to indicate the income or expense item being adjusted or consolidated.</i>
<i>TI03.C</i>	<i>Line Description</i>	<i>Report the line description, corresponding to the line number in TI03.C.</i>
<i>TI03.D</i>	<i>California Current Year Total</i>	<i>Report the sum of columns TI03.I and TI03.P for this line. This is a calculated amount in the spreadsheet template.</i>
<i>TI03.E</i>	<i>California Prior Year Total</i>	<i>Report the sum of columns TI03.K and TI03.S for this line. This is a calculated amount in the spreadsheet template.</i>
<i>TI03.F</i>	<i>Elsewhere Current Year Total</i>	<i>Report the sum of TI03.H less TI03.D. This is a calculated amount in the spreadsheet template.</i>
<i>TI03.G</i>	<i>Elsewhere Prior Year Total</i>	<i>Report the sum of TI03.J less TI03.E. This is a calculated amount in the spreadsheet template.</i>
<i>TI03.H</i>	<i>Countrywide Current Year Total</i>	<i>Report the consolidated GAAP-basis countrywide total for the current year for the income or expense item in TI03.D.</i>
<i>TI03.I</i>	<i>Countrywide Prior Year Total</i>	<i>Report the consolidated GAAP-basis countrywide total for the prior year for the income or expense item in TI03.D.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI03.J</i>	<i>California Identifiable Current Year</i>	<i>Report the amount of the income or expense item in TI03.D that is identifiable with California-only business for the current year. Report only the amounts for items exclusively associated with California-only business. The current year is the most recent experience period.</i>
<i>TI03.K</i>	<i>California Identifiable Prior Year</i>	<i>Report the amount of the income or expense item in TI03.D that is identifiable with California-only business for the prior year. Report only the amounts for items exclusively associated with California-only business. The prior year is the most recent experience period prior to the current year.</i>
<i>TI03.L</i>	<i>Elsewhere Identifiable Current Year</i>	<i>Report the amount of the income or expense item in TI03.D that is identifiable with individual states other than California for the current year. Report only those amounts for items exclusively associated with individual states other than California.</i>
<i>TI03.M</i>	<i>Elsewhere Identifiable Prior Year</i>	<i>Report the amount of the income or expense item in TI03.D that is identifiable with individual states other than California for the prior. Report only those amounts for items exclusively associated with individual states other than California. The prior year is the most recent experience period prior to the current year.</i>
<i>TI03.N</i>	<i>Countrywide Non-Identifiable Current Year</i>	<i>Report the amount TI03.H less the sum of TI03.J and TI03.L. This is a calculated amount in the spreadsheet template.</i>
<i>TI03.O</i>	<i>Basis for Allocation of Current Year Non- Identifiable</i>	<i>Report the basis for determining the share of the amount reported in TI03.N associated with California business. Stated differently, report the method of allocating a portion of the amount in TI03.N to California business. Examples include: Number of title policies closed Number of employees Number of claims Number of escrow orders opened</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI03.P</i>	<i>California Allocation of Countrywide Non-Identifiable Current Year</i>	<i>Report the amount of item TI03.N allocated to California business using the method described in TI03.O for the current year.</i>
<i>TI03.Q</i>	<i>Countrywide Non-Identifiable Prior Year</i>	<i>Report the amount TI03.I less the sum of TI03.K and TI03.M. This is a calculated amount in the spreadsheet template.</i>
<i>TI03.R</i>	<i>Basis for Allocation of Prior Year Non- Identifiable</i>	<i>Report the basis for determining the share of the amount reported in TI03.Q associated with California business for the prior year. Stated differently, report the method of allocating a portion of the amount in TI03.Q to California business for the prior year. Examples include: Number of title policies closed Number of employees Number of claims Number of escrow orders opened</i>
<i>TI03.S</i>	<i>California Allocation of Countrywide Non- Identifiable Prior Year</i>	<i>Report the amount of item TI02.Q allocated to California business using the method described in TI02.R for the prior year.</i>

(11) *Data Rows for Section 1: Income and Expenses*

<i>Row / Line Number</i>	<i>Name of Data Line</i>	<i>Description and Instructions for Data Line</i>
<i>TI03.01</i>	<i>Gross Written Title Premium</i>	<i>Report total gross title premium before remittances to underwritten title companies during the reporting period. Report direct business, meaning before adjustments for reinsurance. Include direct business, meaning business performed by the reporting company without the use of an underwritten title company. Report the entire gross premium and do not deduct any amounts incurred for work charges / premium splits or add any amounts received for work charges / premium splits. Report premium only for transaction in which the reporting company was the initial recipient of funds from the ultimate consumer. If a work charge / premium split is involved, only one reporting company should report the gross title premium.</i>

<i>Row / Line Number</i>	<i>Name of Data Line</i>	<i>Description and Instructions for Data Line</i>
<i>TI03.02</i>	<i>Work Charges Incurred for Title</i>	<i>Pursuant to Insurance Code § 12412, an underwritten title company may divide fees or charges, for work and services actually performed, between underwritten title companies or between title insurance companies and underwritten title companies. A work charge or premium split refers to a payment from the reporting company to another underwritten title company or to a title insurer or a payment to the reporting company from another underwritten title company or a title insurer for work performed on title or escrow. Some companies refer to work charges as premium splits because the company collecting the title premium or escrow fee pays a portion of the premium or escrow fee to another company for services provided in connection with the title or escrow transaction. Work charges / premium splits refer only to payments between underwritten title companies or between underwritten title companies and title insurers. See the instructions for report TI05 for additional explanation of work charges / premium splits. In Line TI03.02, report only work charges incurred for title-related work during the reporting period.</i>
<i>TI03.03</i>	<i>Work Charges Received for Title</i>	<i>In Line TI03.03, report only work charges received for title-related work during the reporting period. See the instructions for Line TI03.02 for an explanation of work charges / premium splits.</i>

<i>Row / Line Number</i>	<i>Name of Data Line</i>	<i>Description and Instructions for Data Line</i>
<i>TI03.04</i>	<i>Escrow Fees</i>	<i>Report total fees for full escrow during the reporting period. Report sub-escrow in line TI03.05. Report other service charges for escrow-related activity in line TI03.08. Report the entire escrow fee and do not deduct any amounts incurred for work charges / fee splits or add any amounts received for work charges / fee splits. Report escrow fees only for transactions in which the reporting company was the initial recipient of funds from the ultimate consumer. If a work charge / fee split is involved, only one reporting company should report the escrow fee.</i>
<i>TI03.05</i>	<i>Subescrow Fees</i>	<i>Subescrow refers to funds transfer for lenders in those situations where an entity other than the reporting company is performing other escrow activities. Subescrow typically occurs in Southern California when escrow is performed by independent escrow companies. Report only those revenues in Line TI03.05 associated with a separate and identifiable charge for subescrow activities during the reporting period, whether those activities are called subescrow or something else, such as title payoff.</i>
<i>TI03.06</i>	<i>Work Charges Incurred for Escrow</i>	<i>In Line TI03.06, report only work charges incurred for escrow-related work during the reporting period. See the instructions for Line TI03.02 for an explanation of work charges / premium splits.</i>
<i>TI03.07</i>	<i>Work Charges Received for Escrow</i>	<i>In Line TI03.07, report only work charges received for escrow-related work during the reporting period. See the instructions for Line TI03.02 for an explanation of work charges / premium splits.</i>
<i>TI03.08</i>	<i>Other Service Charges</i>	<i>Report the amount of revenue from other service charges other than subescrow during the reporting period. Report subescrow on Line TI03.05</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI03.09</i>	<i>Revenue from Other Licensees</i>	<i>Report the amount of any revenue received from other licensees for services provided to those licensees, other than amounts received for work charges. Licensees are title insurance companies, underwritten title companies and controlled escrow companies licensed to conduct the business of title insurance in California. Include, for example, revenue received for title plant subscription fees, title search packages or production services. Report revenue from work charges in TI03.03 and TI03.07.</i>
<i>TI03.10</i>	<i>Aggregate Write-Ins for Other Operating Revenues</i>	<i>This amount is carried from the detailed write-in table below the income statement. Report any other types and amounts of operating revenue not included in lines TI03.01 through TI03.09 during the reporting period.</i>
<i>TI03.11</i>	<i>Total Operating Revenues</i>	<i>This amount is calculated and no entry is required in the spreadsheet template. This entry is the sum of Lines TI03.01 through TI03.10 during the reporting period.</i>
<i>TI03.12</i>	<i>Title Premium Retained by or Remitted to Underwritten Title Companies.</i>	<i>Report the amount of title premium from line TI03.01 that was retained by or remitted to underwritten title companies pursuant to underwriting agreements during the reporting period.</i>
<i>TI03.13</i>	<i>Personnel: Salaries</i>	<i>Report the amount of salaries for employees during the reporting period. This amount is carried from Table TI04 for the appropriate reporting period.</i>
<i>TI03.14</i>	<i>Personnel: Commission</i>	<i>Report the amount of commissions for employees during the reporting period. This amount is carried from Table TI04 for the appropriate reporting period.</i>
<i>TI03.15</i>	<i>Personnel: Bonus</i>	<i>Report the amount of bonuses for employees during the reporting period. This amount is carried from Table TI04 for the appropriate reporting period.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI03.16</i>	<i>Personnel: Payroll Taxes</i>	<i>Report the amount of payroll taxes for employees during the reporting period. This amount is carried from Table TI04 for the appropriate reporting period.</i>
<i>TI03.17</i>	<i>Personnel: Employee Benefits</i>	<i>Report the amount of employee benefits for employees during the reporting period. Benefits include pension contributions, health insurance, life insurance, workers' compensation insurance, food for employees, gatherings and entertainment for employees and employee training. Report payroll taxes in Line TI03.16. Report expense allowances and reimbursements for sales personnel in TI03.57. This amount is carried from Table TI04 for the appropriate reporting period.</i>
<i>TI03.18</i>	<i>Personnel: Temporary Agency Expenses</i>	<i>Report the amount for temporary agencies for personnel during the reporting period. This amount is carried from Table TI04 for the appropriate reporting period.</i>
<i>TI03.19</i>	<i>Personnel: Contract Workers / Consultants</i>	<i>Report the amount for contract workers and consultants during the reporting period. Do not include amounts for legal or accounting services. Report these amounts in lines TI03.60 and TI03.58, respectively. This amount is carried from Table TI04 for the appropriate reporting period.</i>
<i>TI03.20</i>	<i>Personnel: Aggregate Write-Ins for Personnel Expenses</i>	<i>This amount is carried from the detailed write-ins for personnel expenses and no entry in the spreadsheet template is required for this line. Report any other types and amounts of personnel expenses not included in lines TI03.13 through TI03.19 during the reporting period in the detailed write-in table.</i>
<i>TI03.21</i>	<i>Total Personnel Expenses</i>	<i>This amount is calculated and no entry is required in the spreadsheet template. This entry is the sum of Lines TI03.13 through TI03.20 during the reporting period.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI03.22</i>	<i>Title Losses Paid</i>	<i>Report the amount of title losses paid, net of recoveries from underwritten title companies pursuant to underwriting agreements, subrogation or errors and omissions insurance policies, during the reporting period. Do not include recoveries from reinsurance.</i>
<i>TI03.23</i>	<i>RESERVED</i>	<i>Leave Blank</i>
<i>TI03.24</i>	<i>RESERVED</i>	<i>Leave Blank</i>
<i>TI03.25</i>	<i>Change in Title Loss Reserves</i>	<i>Report the change in title reserves during the reporting period, including case reserves and incurred but not reported (IBNR) reserves.</i>
<i>TI03.26</i>	<i>Title Loss Adjustment Expenses</i>	<i>Report the amount incurred for title loss adjustment expense, net of recoveries from underwritten title companies pursuant to underwriting agreements, subrogation or errors and omissions insurance policies, during the reporting period. Do not include recoveries from reinsurance.</i>
<i>TI03.27</i>	<i>Total Title Loss and Loss Settlement Expenses</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines TI03.22 through TI03.26.</i>
<i>TI03.28</i>	<i>Escrow Losses Paid</i>	<i>Report the amount of escrow losses paid, net of recoveries from subrogation or errors and omissions insurance policies, during the reporting period.</i>
<i>TI03.29</i>	<i>Change in Escrow Loss Reserves</i>	<i>Report the change in escrow loss reserves during the reporting period.</i>
<i>TI03.30</i>	<i>Escrow Loss Adjustment Expenses</i>	<i>Report the amount incurred for escrow loss adjustment expenses, net of recoveries from subrogation or errors and omissions insurance policies, during the reporting period.</i>
<i>TI03.31</i>	<i>Total Escrow Loss and Loss Settlement Expenses</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines TI03.28 through TI03.30.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI03.32</i>	<i>Title Plant Maintenance for Owned Title Plants</i>	<i>Report the amount for maintaining owned title plants during the reporting period. Do not include subscription fees or rent for non-owned plants, which is reported in Line TI03.33. Do not include amounts for customer service information, which is reported in Line TI03.50. Do not include amounts received from other licensees for title plant access as an offset to amounts incurred by the reporting company. Report any such amounts in TI03.09.</i>
<i>TI03.33</i>	<i>Subscription Fees, Rent and Charges for Non-Owned Title Plants</i>	<i>Report the amount for subscription fees, rent and other charges for non-owned title plants during the reporting period. Do not include amounts for customer service information, which is reported in Line TI03.50. Include only those amounts spent for title search, examination and underwriting activities. Do not include amounts received from other licensees for title plant access and use as an offset to amounts incurred by the reporting company. Report any such amounts in TI03.09.</i>
<i>TI03.34</i>	<i>Title Search / Examination and Underwriting</i>	<i>Report any non-personnel expenses associated with title search, examination and underwriting not otherwise reported in TI03.32 and TI03.33. Include amounts for third-party title search and examination reports.</i>
<i>TI03.35</i>	<i>Preliminary Report Production and Issuance</i>	<i>Report any non-personnel expenses associated with the production and issuance of preliminary reports, other than expenses for title plant and search, examination and underwriting.</i>
<i>TI03.36</i>	<i>Title Policy Issuance and Maintenance</i>	<i>Report any non-personnel expenses associated with the issuance of title policy, including creation of the physical title insurance policy and maintenance of information regarding the title insurance policy. Do not include expenses reported in lines TI03.32 through TI03.35.</i>
<i>TI03.37</i>	<i>Funds Transfer</i>	<i>Report any non-personnel expenses associated with the transfer of funds from and to parties to the real estate transaction.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI03.38</i>	<i>Notary Fees</i>	<i>Report the amount for notary fees during the reporting period. Do not report any amount passed through without mark-up as a separate charge to the consumer.</i>
<i>TI03.39</i>	<i>Conveyancing Fees</i>	<i>Report the amount for conveyancing fees during the reporting period. Do not report any amount passed through without mark-up as a separate charge to the consumer.</i>
<i>TI03.40</i>	<i>Inspection Fees</i>	<i>Report the amount for inspection fees during the reporting period. Do not report any amount passed through without mark-up as a separate charge to the consumer.</i>
<i>TI03.41</i>	<i>Tax Service Contract Fees</i>	<i>Report the amount for tax service contract fees during the reporting period. Do not report any amount passed through without mark-up as a separate charge to the consumer.</i>
<i>TI03.42</i>	<i>Recording Fees and Costs</i>	<i>Report the amount for non-personnel recording fee expenses. Include amounts for third party recording services during the reporting period. Pass-through items – fees collected from and paid for by the consumer without mark-up – should not be included as expenses or revenues.</i>
<i>TI03.43</i>	<i>Messenger, Overnight and Delivery Service – Preliminary Reports</i>	<i>Report the amount for messenger, overnight and delivery service for preliminary reports and preliminary report-related materials during the reporting period. Do not include postage and freight costs, which are reported in Line TI03.57.</i>
<i>TI03.44</i>	<i>Messenger, Overnight and Delivery Service – Title Policies</i>	<i>Report the amount for messenger, overnight and delivery service for title policies during the reporting period. Do not include postage and freight costs, which are reported in Line TI03.57.</i>
<i>TI03.45</i>	<i>Messenger, Overnight and Delivery Service – Escrow</i>	<i>Report the amount for messenger, overnight and delivery service for escrow and escrow-related materials during the reporting period. Do not include postage and freight costs, which are reported in Line TI03.57.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI03.46</i>	<i>Messenger, Overnight and Delivery Service -- Other</i>	<i>Report the amount for messenger, overnight and delivery service other than reported in TI03.43, TI03.44 and TI03.45 and excluding any messenger and delivery expenses associated with sales, marketing or customer service, which are reported in Lines TI03.48, TI03.49 and TI03.50, respectively. Do not include postage and freight costs, which are reported in Line TI03.57.</i>
<i>TI03.47</i>	<i>Sales Expenses: Reimbursements / Allowances for Sales Personnel</i>	<i>Report the amount reimbursed to sales personnel for sales and customer service expenses during the reporting period. Include allowances and reimbursements for travel expenses, such as allowance for auto or entertainment.</i>
<i>TI03.48</i>	<i>Sales Expenses: Other</i>	<i>Report the amount of sales expenses other than reported in Lines TI03.47 and TI03.49 during the reporting period. Include sales-related travel expenses not otherwise reported in Line TI03.47. Include amounts incurred for company-provided autos for sales personnel.</i>
<i>TI03.49</i>	<i>Business Promotion, Advertising and Public Relations</i>	<i>Report the amount of expenses for business promotion, advertising, and public relations during the reporting period. Do not include amounts otherwise reported in Lines TI03.47 and TI03.48.</i>
<i>TI03.50</i>	<i>Customer Service</i>	<i>Report the amount of expenses for customer service, including, for example and not limited to, amounts incurred for information provided to real estate agent and brokers unrelated to specific title or escrow transactions during the reporting period.</i>
<i>TI03.51</i>	<i>Travel and Travel Items Other Than Sales, Marketing and Customer Service</i>	<i>Report the amount of expenses for travel and travel items, other than sales, marketing and customer service-related travel included in Lines TI03.47 through TI03.50, respectively, during the reporting period.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI03.52</i>	<i>Facility Rent, Depreciation and Amortization</i>	<i>Report the amount of expenses for building rent for facilities used for the business of title insurance during the reporting period, net of any rental income received for those facilities. Report rent incurred for equipment in Line TI03.53. Report rental income from investment properties – facilities not used for the business of title insurance – as investment income in Line TI03.78. Include depreciation and amortization for facilities used in the business of title insurance.</i>
<i>TI03.53</i>	<i>Equipment Rent</i>	<i>Report the amount of expenses for renting or leasing equipment.</i>
<i>TI03.54</i>	<i>Data Processing Services and Software</i>	<i>Report the amount of expenses for data processing services and software. Do not include any expenses for software related to title plant access or subscription, which is reported in TI03.33. Do not include expenses for software or data processing for, sales, marketing or customer service, which are reported in Lines TI03.48, TI03.49 and TI03.50, respectively.</i>
<i>TI03.55</i>	<i>Printing/Stationery/Supplies</i>	<i>Report the amount of expenses for printing, stationery and supplies during the reporting period excluding any printing, stationery or supplies associated with sales, marketing or customer service, which are reported in Lines TI03.48, TI03.49 and TI03.50, respectively.</i>
<i>TI03.56</i>	<i>Telephone / Utilities</i>	<i>Report the amount for telephone and utilities during the reporting period, other than telephone expense reimbursements to sales personnel, which must be reported in Line TI03.47 and other than telephone or utilities associated with sales, marketing or customer service, which are reported in Lines TI03.48, TI03.49 and TI03.50, respectively.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI03.57</i>	<i>Postage and Freight</i>	<i>Report the amount of expense for postage and freight during the reporting period excluding any postage and freight associated with sales, marketing or customer service, which are reported in Lines TI03.48, TI03.49 and TI03.50, respectively.</i>
<i>TI03.58</i>	<i>Accounting /Auditor Fees</i>	<i>Report the amount of expenses for outside auditors and accounting services during the reporting period.</i>
<i>TI03.59</i>	<i>Director Fees</i>	<i>Report the amount for fees to members of the company's Board of Directors during the reporting period.</i>
<i>TI03.60</i>	<i>Legal Fees</i>	<i>Report the amount for outside legal services, other than claim-related legal services during the reporting period. Report claim-related legal services in Lines TI03.26 and TI03.30.</i>
<i>TI03.61</i>	<i>Management Fees</i>	<i>Report the amount for management services during the reporting period. Do not include amounts paid to individuals. Report amounts to individuals in Line TI03.19.</i>
<i>TI03.62</i>	<i>Licenses, Fees, Taxes Other Than Income and Premium</i>	<i>Report the amount for licenses, regulatory fees and taxes during the reporting period. Do not include state or federal income taxes, which are reported in Lines TI03.85 and TI03.86, respectively. Do not include premium taxes which are reported in Line TI03.63. Include property taxes only for real estate and buildings employed for the business of title insurance.</i>
<i>TI03.63</i>	<i>Premium Taxes</i>	<i>Report the amount of premium taxes during the reporting period.</i>
<i>TI03.64</i>	<i>Depreciation / Amortization Other Than Real Estate and Buildings</i>	<i>Report the amount of expenses for depreciation and amortization during the reporting period other than depreciation and amortization of real estate and buildings.</i>
<i>TI03.65</i>	<i>Bad Debt Expense</i>	<i>Report the amount of expenses for collecting overdue debt or for writing off bad debt during the reporting period.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI03.66</i>	<i>Insurance</i>	<i>Report the amount for all types of insurance during the reporting period, other than insurance provided on behalf of employees, which is reported in Line TI03.17.</i>
<i>TI03.67</i>	<i>Lobbying</i>	<i>Report the amount for lobbying activities during the reporting period, including amounts paid to trade associations for lobbying activities. Report amounts to trade associations for activities other than lobbying in Line TI03.69.</i>
<i>TI03.68</i>	<i>Donations</i>	<i>Report the amount of donations during the reporting period.</i>
<i>TI03.69</i>	<i>Trade Associations and Advisory Organizations</i>	<i>Report the amount for trade associations and advisory organizations during the reporting period.</i>
<i>TI03.70</i>	<i>Dues / Subscriptions Other than Trade and Advisory Organizations</i>	<i>Report the amount for dues and subscriptions other than dues and subscriptions to trade associations and advisory organizations during the reporting period</i>
<i>TI03.71</i>	<i>Fines or Penalties</i>	<i>Report the amount for fines, penalties and restitution to regulatory agencies, courts or to consumers pursuant to regulatory or judicial decisions or settlements during the reporting period.</i>
<i>TI03.72</i>	<i>Aggregate Write-Ins for Other Expenses</i>	<i>This amount is carried from the detailed write-in table below the income statement and no entry in the spreadsheet template is required for this line. Report any other types and amounts of operating expenses, not included in Lines TI03.22 through TI03.71 during the reporting period in the detailed write-in table.</i>
<i>TI03.73</i>	<i>Total Operating Expenses</i>	<i>This amount is calculated and no entry is required. This entry is the sum of lines TI03.22 through TI03.72.</i>
<i>TI03.74</i>	<i>Net Operating Income</i>	<i>This amount is calculated and no entry is required. This entry is Line TI03.11 less the sum of Lines TI.03.12, TI03.21 and TI03.73.</i>
<i>TI03.75</i>	<i>Interest Paid</i>	<i>Report amount for interest on loans during the reporting period.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI03.76</i>	<i>Investment Income – Tax Exempt</i>	<i>Report tax-exempt investment income before investment expenses during the reporting period.</i>
<i>TI03.77</i>	<i>Investment Income – Dividends</i>	<i>Report dividend investment income before investment expenses during the reporting period.</i>
<i>TI03.78</i>	<i>Investment Income – Other</i>	<i>Report investment income other than tax-exempt and dividend investment income before investment expenses during the reporting period. Include rental income from real estate facilities not used for the business of title insurance.</i>
<i>TI03.79</i>	<i>Investment Expenses</i>	<i>Report expenses associated with investment income items. Report this entry as a negative for amounts incurred.</i>
<i>TI03.80</i>	<i>Net Investment Income</i>	<i>This is a calculated amount and no entry in the spreadsheet template is required. This entry is the sum of lines TI03.76 through TI03.78 less line TI03.79.</i>
<i>TI03.81</i>	<i>Realized Capital Gains</i>	<i>Report realized capital gains during the reporting period.</i>
<i>TI03.82</i>	<i>Unrealized Capital Gains</i>	<i>Report unrealized capital gains during the reporting period.</i>
<i>TI03.83</i>	<i>Aggregate Write-Ins for Other Operating Expenses</i>	<i>This amount is carried from the detailed write-ins for other operating expenses.</i>
<i>TI03.84</i>	<i>Net Income Before Income Taxes</i>	<i>This amount is calculated and no entry is required in the spreadsheet template. This entry is Line TI03.74 less Line TI03.75 plus the sum of Lines TI03.80 through TI03.83.</i>
<i>TI03.85</i>	<i>Provision for State Income Taxes</i>	<i>Report the amount of the provision for state income taxes during the reporting period.</i>
<i>TI03.86</i>	<i>Provision for Federal Income Taxes</i>	<i>Report the amount of the provision for federal income taxes during the reporting period.</i>
<i>TI03.87</i>	<i>Net Income After Taxes</i>	<i>This amount is calculated and no entry is required in the spreadsheet template. This entry is Line TI03.84 less Lines TI03.85 and TI03.86.</i>

(12) *Data Fields for Section 2: Adjustments for Consolidation and GAAP Conversion*

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>TI03.AA</i>	<i>Name of Reporting Company</i>	<i>Report the name of the reporting company. In a separate document accompanying the submission of this report, provide a list of the entities whose experience is consolidated into Report TI03.</i>
<i>TI03.AB</i>	<i>Line #</i>	<i>Report the line number from the table in section 2356.8(c)(11) to indicate the income or expense item being adjusted or consolidated.</i>
<i>TI03.AC</i>	<i>Line Description</i>	<i>Report one of the following codes:</i> <i>1. Consolidation Adjustment</i> <i>2. GAAP Conversion Adjustment</i>
<i>TI03.AD</i>	<i>Reporting Period</i>	<i>Report one of the following codes:</i> <i>1. Current Year</i> <i>2. Prior Year</i>
<i>TI03.AE</i>	<i>Parent Company</i>	<i>If entry in TI03.AC is 1 (consolidation adjustment), report the complete name of the parent company.</i>
<i>TI03.AF</i>	<i>Subsidiary Company</i>	<i>If entry in TI03.AC is 1 (consolidation adjustment), report the complete name of the subsidiary company.</i>
<i>TI03.AG</i>	<i>Amount of Adjustment</i>	<i>Report the amount of the consolidation or GAAP conversion adjustment.</i>
<i>TI03.AH</i>	<i>Description of Adjustment</i>	<i>Provide a description of the consolidation or GAAP conversion adjustment in sufficient detail to enable a person familiar with SAP and GAAP accounting to understand the exact adjustment made. The spreadsheet template can accept detailed explanations.</i>

(d) *TI04 Detailed California Personnel Expense Report. Report TI04 is a report of personnel count and expenses on a consolidated Generally Accepted Accounting Principles (GAAP) basis. A single Report TI04 should be submitted for a title insurance company and any of its subsidiaries which are engaged in the business of title insurance, including:*

- title insurance companies;*
- underwritten title companies; and*

- *controlled escrow companies.*

(1) *A title insurance company licensed in California that is a subsidiary of another title insurance company or an underwritten title company licensed in California should not submit Report TI04, but have its experience included in the report of the parent. Stated differently, there should be only one submission for a parent title insurance company and all its subsidiaries engaged in the business of title insurance. Any title insurance company which is not submitting a Report TI04 because that company's experience has been consolidated into a parent company's submission should simply indicate on its (the subsidiary's) individual submission transmittal form the name of the parent company which has submitted a Report TI04 which includes the experience of the subsidiary reporting company..*

(2) *Two or more title insurance companies - which are not subsidiaries of one another but are affiliated with one another because they are all subsidiaries of a parent holding company which is not a title insurance company, underwritten title company or controlled escrow company - must each submit a consolidated Report TI04 for the experience of the reporting company and any subsidiary title insurance companies, underwritten title companies or controlled escrow companies.*

(3) *For personnel who work on California business and business elsewhere, report only that portion of the workers' time and personnel expenses associated with California-only business. Retain worksheets of worker time and expense allocations to California and to activity codes for the five most recent reporting years.*

(4) *Report TI04 must be submitted using the spreadsheet template provided by the Commissioner on the Department of Insurance web site:*
www.insurance.ca.gov.

(5) *This report can be visualized as a table with each row reflecting a record of personnel expenses for a specific activity. The activity categories to be used in this report are shown in the table below. The columns of the table are data fields, described further below, which provide detail on the personnel expenses for a specific activity.*

(6) *Activity Codes*

Assign personnel expenses to the activities described in the table. Assign a specific personnel expense only once to a single activity code.

Row / Line Number: Activity Codes	Name of Data Line	Description of Data Line
<i>TI04.01</i>	<i>Title Search/ Examination</i>	<i>This activity includes acquisition of title and related documents from a title plant or other information source, examination and analysis of the documents and underwriting. Include administrative and support staff associated with title search, examination and underwriting activities.</i>
<i>TI04.02</i>	<i>Title Plant Maintenance</i>	<i>This activity includes physical maintenance of a back plant and physical maintenance and updates to the current plant. This activity includes maintenance of databases and information for title and title-related documents. Include administrative and support staff associated with title plant maintenance activities.</i>
<i>TI04.03</i>	<i>Preliminary Report Issuance</i>	<i>This activity includes preparation and issuance of the preliminary report. This activity does not include title search, examination or underwriting, but is limited to preparation and issuance of the preliminary report after the title search, examination and underwriting have been completed. Include administrative and support staff associated with preliminary report issuance activities.</i>
<i>TI04.04</i>	<i>Title Policy Issuance and Maintenance</i>	<i>This activity includes preparation and issuance of the title policy and related documents and maintenance of customer information. This activity does not include title search, examination or underwriting, but is limited to preparation and issuance of the title policy after the title search, examination and underwriting have been completed. Include administrative and support staff associated with title policy issuance and maintenance activities.</i>
<i>TI04.05</i>	<i>Title Claims</i>	<i>This activity includes intake, processing and settling of title insurance claims. Include administrative and support staff title claims activities.</i>

Row / Line Number: Activity Codes	Name of Data Line	Description of Data Line
<i>TI04.06</i>	<i>General Management</i>	<i>This activity includes general management of the title insurance company. Do not include managers of activities specifically identified in this list. Those managers should be included with the functional activity they manage. For example, include a general counsel in this category, but do not include a lawyer dedicated to settling claims. Include human resources in the category. Include general information technology in this category - computer and network installation, maintenance and support not otherwise assigned to a separate functional category. Include any personnel devoted to developing and maintaining hardware and software for electronic access to title plant information in the Title Plant Maintenance category.</i>
<i>TI04.07</i>	<i>Customer Support</i>	<i>This activity includes answering questions and providing information to the title insurance company's customers or members of the public, outside of formal title search and examination and claims settlement activities. Include administrative and support staff associated with customer service activities.</i>
<i>TI04.08</i>	<i>Sales</i>	<i>This activity includes sales, business promotion and solicitation. Include administrative and support staff associated with sales activities.</i>
<i>TI04.09</i>	<i>Escrow Document Production and Execution</i>	<i>This activity code includes the main activities related to escrow including preparation and execution of instruction and documents. Include administrative and support staff associated with escrow document production activities. Include personnel engaged in all escrow activities under this code other than: escrow-related general management (TI04.06) escrow-related customer service (TI04.07) escrow-related sales (TI04.08) escrow claims (TI04.10) recording of documents (TI04.11) courier and delivery - escrow (TI04.14) funds transfer (TI04.16)</i>

Row / Line Number: Activity Codes	Name of Data Line	Description of Data Line
<i>TI04.10</i>	<i>Escrow Claims Settlement</i>	<i>This activity includes processing and settling escrow claims. Include administrative and support staff associated with escrow claims settlement activities.</i>
<i>TI04.11</i>	<i>Recording of Documents</i>	<i>This activity includes the recording of documents as required by the transaction. Include administrative and support staff associated with recording of document activities.</i>
<i>TI04.12</i>	<i>Courier and Delivery - Preliminary Reports</i>	<i>This activity includes courier and delivery for preliminary reports and preliminary report-related materials. Include administrative and support staff associated with preliminary report-related courier and delivery activities.</i>
<i>TI04.13</i>	<i>Courier and Delivery - Title Policies</i>	<i>This activity includes courier and delivery for title policies. Include administrative and support staff associated with title policy-related courier and delivery activities.</i>
<i>TI04.14</i>	<i>Courier and Delivery - Escrow</i>	<i>This activity includes courier and delivery for escrow and escrow-related materials. Include administrative and support staff associated with escrow-related courier and delivery activities.</i>
<i>TI04.15</i>	<i>Courier and Delivery - Other</i>	<i>This activity includes any courier and delivery personnel not included in TI04.12, TI04.13 or TI04.14. Include administrative and support staff associated with other courier and delivery activities.</i>

Row / Line Number: Activity Codes	Name of Data Line	Description of Data Line
<i>TI04.16</i>	<i>Funds Transfer</i>	<i>This activity includes activities specifically related to funds transfer. Include administrative and support staff associated with funds transfer activities.</i>
<i>TI04.17</i>	<i>Other Services</i>	<i>This activity includes any service for which a charge is made and which is not a title policy, preliminary report, full escrow or subescrow. Include administrative and support staff associated with other services activities.</i>
<i>TI04.18</i>	<i>Other</i>	<i>If none of the above categories can be used, use this code and explain the activity. If there are two or more types of “Other” activities, use codes 18, 19 and 20 as necessary.</i>

(7) *Include all employees, temporary/contract workers and consultants in the following reporting format. If a worker is engaged in two or more of the categories listed, please estimate the percentage of the worker’s time in each of the categories and allocate the worker’s personnel costs on the basis of the time percentages. Please assign administrative and other support workers to the category or categories for which the workers provide the support.*

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>TI04.A</i>	<i>Name of Title Insurer</i>	<i>Report the name of the title insurance company whose experience is being reported. A separate report is required for each title insurance company. A separate report is required for each controlled escrow company which is controlled by the title insurance company and whose experience is not otherwise included in the TI04 report of the title insurance company. The Detailed California Personnel Expense Report for such a controlled escrow company reports should be completed using the UTC04 report format.</i>
<i>TI04.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI04.C</i>	<i>Activity Category</i>	<i>These codes for activity categories are already entered in the spreadsheet template.</i>
<i>TI04.D</i>	<i>Description of Activity Category</i>	<i>If TI04.C is a code for “Other,” provide a name that describes the additional activity category. For activity codes TI04.1 through TI04.17, the description is already entered into the spreadsheet template.</i>
<i>TI04.E</i>	<i>Total Full- Time Equivalent Workers</i>	<i>Report the total number of full-time equivalent employees, temporary/contract workers and consultants for this category during the reporting period. An employee who is engaged in each of two activity categories for 50% of his or her time would be a 0.5 full-time equivalent in each activity category. An employee who worked in one activity for only three months of the year would be a 0.25 full-time equivalent.</i>
<i>TI04.F</i>	<i>Salary</i>	<i>Report the aggregate salary incurred for this activity during the reporting period. If a worker engaged in more than one activity, calculate the amount for that individual worker by multiplying the total salary incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in TI04.E.</i>
<i>TI04.G</i>	<i>Payroll Taxes</i>	<i>Report the aggregate payroll taxes incurred for this activity during the reporting period. If a worker engaged in more than one activity, calculate the amount for that individual worker by multiplying the total salary incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in TI04.E.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI04.H</i>	<i>Commission</i>	<i>Report the aggregate commission incurred for this activity during the reporting period. If a worker engaged in more than one activity, calculate the amount for that individual worker by multiplying the total commission incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in TI04.E.</i>
<i>TI04.I</i>	<i>Bonus</i>	<i>Report the aggregate bonuses incurred for this activity during the reporting period. If a worker engaged in more than one activity, calculate the amount for individual workers by multiplying the total bonus incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in TI04.E. Include in the bonus category any amounts incurred as dividends to owners who are also employees of, or independent contractors to, the company.</i>
<i>TI04.J</i>	<i>Employee Relations and Welfare</i>	<i>Report the aggregate benefits incurred to workers for this activity during the reporting period. Include pension contributions, health insurance, life insurance, employee training and education, food for employees and gatherings and entertainment for employees. Do not include expense allowances and reimbursements for sales personnel, which are reported in TI03. If a worker was engaged in more than one activity, calculate the amount for individual workers by multiplying the total benefits incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in TI04.E.</i>
<i>TI04.K</i>	<i>Temporary Agency Workers</i>	<i>Report the aggregate amount paid to temporary worker agencies for personnel for this activity during the reporting period. If a worker was engaged in more than one activity, calculate the amount for individual workers by multiplying the total benefits incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in TI04.E.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI04.L</i>	<i>Consultants / Contract Workers</i>	<i>Report the aggregate benefits incurred to workers for this activity during the reporting period. Do not include amounts paid for legal or accounting services, which are reported in TI03.60 and TI03.58, respectively. If a worker was engaged in more than one activity, calculate the amount for individual workers by multiplying the total benefits incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in TI04.E.</i>
<i>TI04.M</i>	<i>Total Personnel Costs</i>	<i>Report the row sum for columns TI04. Carry these totals to the personnel expense lines in Report TI03.</i>

(e) *TI05 Detailed Escrow Report. Each title insurance company shall submit this report of escrow activity performed by the title insurance company during the reporting period. Each title insurance company shall also submit a report UTC05 for each controlled escrow company controlled by the title insurance company and whose experience is not otherwise included in the report TI05 of the title insurance company.*

(1) *Report only full escrow transactions. Do not report subescrow or escrow-related other services in Report TI05.*

(2) *If the reporting company provides different types of full escrow service - for example, a basic full escrow and an enhanced full escrow with some additional services included - report the escrow in Report TI05 as the basic escrow plus a surcharge. Using our example, the surcharge would be the increment in cost above the basic full escrow service and the surcharge name would be “enhanced full escrow package.” In addition, report the different types of full escrow services as surcharges in Report TI11.*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI05.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the title insurance company whose experience is being reported. A separate report is required for each title insurance company. A separate report is required for each controlled escrow company which is controlled by the title insurance company and whose experience is not otherwise included in the TI05 report of the title insurance company. The Detailed Escrow Report for such a controlled escrow company reports should be completed using the UTC05 report format.</i>
<i>TI05.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>
<i>TI05.C</i>	<i>Internal Transaction #</i>	<i>Report the internal transaction # from TI01.C for which the escrow activity is associated.</i>
<i>TI05.D</i>	<i>Number of Parties</i>	<i>Report the number of parties involved in the escrow.</i>
<i>TI05.E</i>	<i>Amount of Escrow</i>	<i>Report the total amount of the escrow. This is the value used to determine the escrow charge.</i>
<i>TI05.F</i>	<i>Basic Escrow Charge</i>	<i>Report the basic escrow charge to the nearest dollar without commas, periods or dollar signs. The basic escrow charge is the escrow charge before any discounts or surcharges.</i>
<i>TI05.G</i>	<i>Discount / Surcharge 1</i>	<i>If a discount or surcharge was applied, report the code from Report TI11 for the discount or surcharge applied.</i>
<i>TI05.H</i>	<i>Discount / Surcharge 2</i>	<i>If more than one discount or surcharge was applied, report the code from Report TI11 of the second discount or surcharge applied.</i>
<i>TI05.I</i>	<i>Discount / Surcharge 3</i>	<i>If more than two discounts or surcharges were applied, report the code from Report TI11 of the third discount or surcharge applied.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI05.J</i>	<i>Discount / Surcharge 4</i>	<i>If more than three discounts or surcharges were applied, report the code from Report TI11 of the fourth discount or surcharge applied.</i>
<i>TI05.K</i>	<i>Discount / Surcharge 5</i>	<i>If more than four discounts or surcharges were applied, report the code from Report TI11 of the fifth discount or surcharge applied.</i>
<i>TI05.L</i>	<i>Total Escrow Charge</i>	<i>Report the total escrow charge after all discounts and surcharges.</i>

(f) **TI06** *Report of Work Charges / Premium Splits Activity.* Each title insurance company shall submit this report of work charges / premium splits for title, escrow and other services activity by the title insurance company during the reporting period. Each title insurance company shall also submit a report UTC06 for each controlled escrow company controlled by the title insurance company and whose experience is not otherwise included in the report TI05 of the title insurance company.

(1) Pursuant to Insurance Code Section 12412, a title insurance company may divide fees or charges, for work and services actually performed, between title insurance companies or between title insurance companies and underwritten title companies. A work charge or premium split refers to a payment from the reporting company to another title insurance company or to a title insurer or a payment to the reporting company from another title insurance company or underwritten title company that represents a split of the premium for division of work. Some companies refer to work charges as premium splits because the company collecting the title premium or escrow fee pays a portion of the premium or escrow fee to another company for services provided in connection with the title or escrow transaction. Work charges / premium splits refer only to payments between title insurance companies, between underwritten title companies or between underwritten title companies and title insurers and are further limited to transactions that reflect a split of the title premium or escrow charge. See the instructions for TI07 for discussion of fees paid to or received from other title insurance companies, underwritten title companies or controlled escrow companies for services received or provided and how these types of fees differ from work charges/premium splits.

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI06.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the title insurance company whose experience is being reported. A separate report is required for each title insurance company. A separate report is required for each controlled escrow company which is controlled by the title insurance company and whose experience is not otherwise included in the TI06 report of the title insurance company. The Report of Work Charges / Premium Splits Activity for such a controlled escrow company reports should be completed using the UTC05 report format.</i>
<i>TI06.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>
<i>TI06.C</i>	<i>Internal Transaction #</i>	<i>Report the internal transaction # from TI01.C for which the work charge information is associated.</i>
<i>TI06.D</i>	<i>Work Charge Paid or Received</i>	<i>Report one of the following codes:</i> <ol style="list-style-type: none"> <i>1. Work charge PAID for title services only.</i> <i>2. Work charge PAID for escrow services only.</i> <i>3. Work charge PAID for title and escrow services.</i> <i>4. Work charge RECEIVED for title services only.</i> <i>5. Work charge RECEIVED for escrow services only.</i> <i>6. Work charge RECEIVED for title and escrow services.</i> <i>7. Work charge PAID and RECEIVED for title services only.</i> <i>8. Work charge PAID and RECEIVED for escrow services only.</i> <i>9. Work charge PAID and RECEIVED for title and escrow services.</i>
<i>TI06.E</i>	<i>Description of Title Services</i>	<i>Describe the specific services title services provided in exchange for the work charge / premium split.</i>
<i>TI06.F</i>	<i>Description of Escrow Services</i>	<i>Describe the specific escrow services provided in exchange for the work charge / premium split.</i>

(g) *TI07 Report of Amounts Received from and Paid to Other Licensees and Affiliates.* Each title insurance company shall submit this report of amounts received from and paid to other licensees and affiliated companies for title, escrow and other services activity by the title insurance company during the reporting period. Each title insurance company shall submit a report UTC07 for each controlled escrow company controlled by the title insurance company and whose experience is not otherwise included in the report TI07 of the title insurance company.

(1) *This report is a description of activities, other than work charge / premium split activities, for which the reporting company received a payment for providing a service to another title insurance company, underwritten title company or controlled escrow company or made a payment to another title insurance company, underwritten title company or controlled escrow company for a service provided by the other entity. This report also includes payments to or received from affiliates, even if the affiliate is not a title insurance company, underwritten title company or controlled escrow company licensed to do business in California.*

(2) *Although work charge / premium split activities are a form of service provided by one licensee to another for a payment, work charge / premium split activity is not included in Report TI07. The distinction between work charges / premium split and the payments reported in this table is that work charges / premium split represent a division of premium or charges for a division of work on a specific title or escrow transaction while the activities in this report represent activities for which payment is not tied to the revenue of a specific transaction. Stated differently, this report is a description of expenses paid or revenues received by the reporting company which are not associated with a specific title or escrow order. For the company receiving the service, the activity reflects an expense item. In contrast, a work charge / premium split reflects a reduction of premium, or revenue, for the service received.*

(3) *There should be a separate record for each type of service provided or received and for each entity to whom the service was provided or from whom the service was received. For example, if the reporting company provided the same service to two underwritten title companies, there should be two records for that activity -- one for each company to whom the service was provided.*

(4) *This report can be visualized as a table with each row or record as a summary of information about a specific type of other service and with each column a different data field. The instructions below explain the entries in each data field or column.*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI07.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the title insurance company whose experience is being reported. A separate report is required for each title insurance company. A separate report is required for each controlled escrow company which is controlled by the title insurance company and whose experience is not otherwise included in the TI07 report of the title insurance company. The Report of Amounts Received from and Paid to Other Licensees for such a controlled escrow company reports should be completed using the UTC07 report format.</i>
<i>TI07.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>
<i>TI07.C</i>	<i>Name of Entity Paid or from Which Payment Was Received</i>	<i>Report the name of the title insurance company, underwritten title company or controlled escrow company to which a payment was made for services provided by that entity or from whom a payment was received for services provided to that entity. There should be a separate record for each type of service provided or received and for each entity to whom the service was provided or from whom the service was received. For example, if the reporting company provided the same service to two underwritten title companies, there should be two records for that activity -- one for each company to whom the service was provided. Do not include work charges / premium splits in this report. Work charges / premium splits are reported in TI09. A work charge represents a division of the title premium or escrow fee for the division of work to perform title or escrow. This table is a report of expenses and revenues for services provided outside of the premium split arrangement.</i>

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>TI07.D</i>	<i>Affiliated, Non-Affiliated and Licensee</i>	<p>Report one of the following codes to describe the type of entity named in TI07.C:</p> <ol style="list-style-type: none"> 1. Affiliated title insurance company, underwritten title company or controlled escrow company licensed to do business in California. 2. Affiliated company other than a title insurance company, underwritten title company or controlled escrow company licensed to do business in California. 3. Non-affiliated company title insurance company, underwritten title company or controlled escrow company licensed to do business in California.
<i>TI07.E</i>	<i>Expense or Revenue</i>	<p>Report one of the following codes:</p> <ol style="list-style-type: none"> 1 - if the reporting company paid for a service 2 - if the reporting company received revenue for a service
<i>TI07.F</i>	<i>Description of Activity</i>	Describe the service provided with moderate detail. "Title Search" or "Escrow" or "Management Services" are insufficient descriptions.
<i>TI07.G</i>	<i>Category</i>	If the item is an expense - the entry in TI07.D is 1 - report the line from Report TI03 in which the item is reported for non-personnel expenses and the line from Report TI04 in which the item is reported for personnel expenses. If the item is revenue - the entry in TI07.D is 2 - report the line from Report TI03 in which the revenue is reported.
<i>TI07.H</i>	<i>Amount Paid</i>	If the entry in data field TI07.E is 1, report to the nearest dollar the total amount paid for the activity in data field TI07.F provided to the entity in data field TI07.C during the reporting period. If the entry in data field TI07.D is 2, report to the nearest dollar the total amount received for the activity in data field TI07.E from the entity in data field TI07.C during the reporting period.
<i>TI07.I</i>	<i>Special Nature of Affiliate</i>	Enter 1 if the affiliate in this transaction received a benefit from a lending institution where the benefit was derived from the lending institution's absorption of expenses incident to providing a normal banking function or the lending institution's forbearance from charging a fee in connection with providing a normal banking function. Otherwise, leave blank.

(h) **TI08 Report of Other Services Activity.** Each title insurance company shall submit this report of other services activity during the reporting period. Each title insurance company shall submit a report UTC08 for each controlled escrow company controlled by the title insurance company and whose experience is not otherwise included in the report TI08 of the title insurance company.

(1) Other services include any activity for which a charge is made to one of the parties in the real estate transaction and which is not the production or delivery of a preliminary report, the production or delivery of a title insurance policy, the provision of full escrow or the provision of subescrow.

(2) This report can be visualized as a table with each row or record as a summary of information about a specific type of other service and with each column a different data field. The instructions below explain the entries in each data field or column.

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
TI08.A	Name of Reporting Entity	Report the name of the title insurance company whose experience is being reported. A separate report is required for each title insurance company. A separate report is required for each controlled escrow company which is controlled by the title insurance company and whose experience is not otherwise included in the TI08 report of the title insurance company. The Report of Other Services Activity for such a controlled escrow company should be completed using the UTC08 report format.
TI08.B	Reporting Year	Report the calendar year experience period as a four-digit number.
TI08.C	Internal Transaction #	Report the internal transaction # from TI01.C for which the other service charge activity is associated. If the other services are associated with a transaction not reported in table TI01, create a new and unique transaction number for use with this report.

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>TI08.D</i>	<i>Other Service</i>	<i>Report the name of the other service provided. Other services include any service for which a charge is made and which is not the provision of a preliminary report, a title policy, full escrow or subescrow. Report a separate record for each other service provided. For example, if three other services were provided in connection with a particular transaction number, there will be three records, all of which have the same transaction number in line TI08.C. If four other services were provided in connection with a particular transaction #, there will be four records with the same transaction # in TI08.C</i>
<i>TI08.E</i>	<i>Other Service Category</i>	<i>Report one of the following codes to describe the other service:</i> <i>1. Preliminary Report-related</i> <i>2. Title Policy Issuance-related</i> <i>3. Escrow-related</i> <i>4. Other</i>
<i>TI08.F</i>	<i>Other Service Charge</i>	<i>Report the amount of the charge for the other service described in line TI08.D.</i>
<i>TI08.G</i>	<i>Other Service Charge Date of Rate Filing</i>	<i>Report the submission date of the rate filing in which the other service charge is listed in YYYYMMDD format where YYYY is the year, MM is the month and DD is the day.</i>
<i>TI08.H</i>	<i>Filing Page Number</i>	<i>Report the page number of the rate filing from field TI08.F on which the charge for the other service from field TI05.D can be found.</i>

(i) *TI09 Report of Facilities Locations. Each title insurance company shall submit this report of facilities locations employed by the title insurance company for California-related title, escrow and other services activities. Each title insurance company shall submit a report UTC09 for each controlled escrow company controlled by the title insurance company and whose experience is not otherwise included in the report TI09 of the title insurance company.*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI09.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the title insurance company whose facilities are reported. A separate report is required for each title insurance company. A separate report is required for each controlled escrow company which is controlled by the title insurance company and whose facilities are not otherwise included in the TI09 report of the title insurance company. The Report of Facilities Locations for such a controlled escrow company reports should be completed using the UTC09 report format.</i>
<i>TI09.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>
<i>TI09.C</i>	<i>Office Code</i>	<i>Report a unique numerical code of up to five digits for each office location of the reporting entity. Office refers to any location in which the business of title insurance is transacted and includes locations where title plants are housed, where title search and examination is conducted, where title policies are produced and issued from, where escrow is conducted, where other services are performed and where any aspect of the business of title insurance is conducted. Report the numerical code without comma or leading zeroes. Report a separate record for each office location.</i>
<i>TI09.D</i>	<i>Office Street Address</i>	<i>Report the street address of the office whose code is reported in field TI09.B.</i>
<i>TI09.E</i>	<i>Office City</i>	<i>Report the city location of the office whose code is reported in field TI09.B.</i>
<i>TI09.F</i>	<i>Office State</i>	<i>Report the state location of the office whose code is reported in field TI09.B. Report the United States Post Office two letter state abbreviation in capital letters.</i>
<i>TI09.G</i>	<i>Office 5 Digit ZIP</i>	<i>Report the 5-digit ZIP Code location of the office whose code is reported in field TI09.B. Report the 5 digits without commas and use a leading zero when appropriate.</i>
<i>TI09.H</i>	<i>Office Plus 4 ZIP</i>	<i>Report the Plus-4 ZIP Code location of the office whose code is reported in field TI09.B.</i>

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>TI09.I</i>	<i>Foreign Location</i>	<i>If the office location is outside of the United States, report the city, state or province, and country location of the office whose code is reported in field TI09.B.</i>
<i>TI09.J</i>	<i>Location Activity: Title Search and Examination</i>	<i>Report the average number of full-time equivalent workers engaged in title search, examination and underwriting at this location during the reporting period.</i>
<i>TI09.K</i>	<i>Location Activity: Title Plant</i>	<i>Report the average number of full-time equivalent workers engaged in title plant maintenance at this location during the reporting period.</i>
<i>TI09.L</i>	<i>Location Activity: Preliminary Report Production and Issuance</i>	<i>Report the average number of full-time equivalent workers engaged in preliminary report production and issuance activities - not title plant maintenance or title search, examination or underwriting - at this location during the reporting period.</i>
<i>TI09.M</i>	<i>Location Activity: Title Policy Production and Issuance</i>	<i>Report the average number of full-time equivalent workers engaged in title policy production and issuance at this location during reporting period. Do not include workers engaged in title plant maintenance, title search, examination and underwriting or preliminary report production and issuance.</i>
<i>TI09.N</i>	<i>Location Activity: Escrow Closing</i>	<i>Report the average number of full-time equivalent workers engaged in escrow closing activities at this location during the reporting period.</i>
<i>TI09.O</i>	<i>Location Activity: Escrow Other Than Closing</i>	<i>Report the average number of full-time equivalent workers engaged in escrow activities other than escrow closing at this location during the reporting period.</i>

(j) **TI10** *Report of Title Premium by Underwritten Title Company.* Each title insurance company shall submit this report of title insurance premium going to underwritten title companies pursuant to underwriting agreements during the reporting period. This report can be visualized as a table with each row (record) describing the title insurance premium generated by a single underwritten title company and each column representing the data fields described below.

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>TI10.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the title insurance company whose experience is being reported. A separate report is required for each title insurance company.</i>
<i>TI10.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit numeral.</i>
<i>TI10.C</i>	<i>Name of UTC</i>	<i>Report the name of the underwritten title company to whom a portion of the title insurance premium was paid. Report all direct business -- business for which a title policy was issued and premium received by the reporting company without any involvement of an underwritten title company -- in a separate record (row) and enter "Direct" in this data field.</i>
<i>TI10.D</i>	<i>Gross Title Premium</i>	<i>Report the total amount of title premium during the reporting period for policies issued with the assistance of the UTC listed in data field TI10.C. Report the total amount of title premium on direct business in the record (row) where the entry in TI10.C is Direct.</i>
<i>TI10.E</i>	<i>Amount to UTC</i>	<i>Report the total amount of the title premium from data field TI10.D that went to the UTC listed in data field TI10.C.</i>
<i>TI10.F</i>	<i>Amount to Reporting Company</i>	<i>Report the total amount of the title premium from data field TI10.D that went to the reporting company.</i>

(k) **TI11** *Report of Escrow Discounts and Surcharges.* Each title insurance company shall submit this report of escrow discounts and surcharges used during the reporting period. Each title insurance company shall submit a report UTC11 for each controlled

escrow company controlled by the title insurance company and whose experience is not otherwise included in the report T111 of the title insurance company.

(1) *This report can be visualized as a table with each row (record) describing a different title policy form endorsement and each column representing the data fields described below.*

(2) *Rates for different geographic locations should be reported as discounts and surcharges of a base escrow rate.*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>T111.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the title insurance company whose experience is being reported. A separate report is required for each title insurance company. A separate report is required for each controlled escrow company which is controlled by the title insurance company and whose experience is not otherwise included in the T111 report of the title insurance company. The Report of Escrow Discounts and Surcharges for such a controlled escrow company reports should be completed using the UTC11 report format.</i>
<i>T111.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>
<i>T111.C</i>	<i>Code</i>	<i>Report a unique code for each escrow discount and surcharge.</i>
<i>T111.D</i>	<i>Name</i>	<i>Report a description of the discount or surcharge associated with the unique code from field T111.C.</i>
<i>T111.F</i>	<i>Type of Rate</i>	<i>Describe the type of rate by entering one of the following codes: 1. if the rate is a percentage of an amount in a basic rate table; 2. if the rate is a fixed dollar amount; 3. if the rate is a percentage of the basic premium; or 4. if other than 1, 2 or 3.</i>

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>TI11.G</i>	<i>Rate</i>	<p><i>If the code in TI15.F is 1, report the percentage as a whole number. For example, if the rate is 64% of the basic rate table, report 64.</i></p> <p><i>If the code in TI15.F is 2, report the dollar amount to the nearest whole dollar without commas.</i></p> <p><i>If the code in TI15.F is 3, report the percentage as a whole number.</i></p> <p><i>If the code in TI15.F is 4, report a description of the rate.</i></p>

(l) *TI12 Six-Year Report of Selected Data. Each title insurance company submitting Reports TI02 and TI03 shall submit this report of six years of experience for certain line items from Reports TI02 and TI03. Report TI12, like Reports TI02 and TI03, is a report of consolidated GAAP-basis experience.*

(1) *Report TI12 must be reported using a spreadsheet template provided by the Commissioner on the Department's web site: www.insurance.ca.gov.*

(2) *Descriptions and Instructions for Data Fields*

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>TI12.A</i>	<i>Name of Reporting Company</i>	<i>Report the name of the reporting company. In a separate document accompanying the submission of this report, provide a list of the entities whose experience is consolidated into Report TI02.</i>
<i>TI12.B</i>	<i>Current Reporting Year - California</i>	<i>Report experience for the current - most recent - reporting period in this column for California-only business. The entries in this column are carried from Table TI02, Column TI02.D and Table TI03, Column TI03.D for line items in those reports that match the line items in this report.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI12.C</i>	<i>First Prior Year - California</i>	<i>Report experience for the first reporting period prior to the current reporting period for California-only business in this column. The entries in this column are carried from Table TI02, Column TI02.E and Table TI03, Column TI03.F for line items in those reports that match the line items in this report.</i>
<i>TI12.D</i>	<i>Second Prior Year - California</i>	<i>Report experience for the second reporting period prior to the current reporting period for California-only in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table TI02 and Table TI03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table TI02 and Table TI03 must be used to develop the entries for this earlier period.</i>
<i>TI12.E</i>	<i>Third Prior Year - California</i>	<i>Report experience for the third reporting period prior to the current reporting period for California-only in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table TI02 and Table TI03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table TI02 and Table TI03 must be used to develop the entries for this earlier period.</i>
<i>TI12.F</i>	<i>Fourth Prior Year - California</i>	<i>Report experience for the fourth reporting period prior to the current reporting period for California-only business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table TI02 and Table TI03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table TI02 and Table TI03 must be used to develop the entries for this earlier period.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI12.G</i>	<i>Fifth Prior Year - California</i>	<i>Report experience for the fifth reporting period prior to the current reporting period for California-only business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table TI02 and Table TI03. Stated differently, the same procedures used to allocate assets and liabilities employed in Table TI02 and Table TI03 must be used to develop the entries for this earlier period. No expense item row entries are required for this reporting period (column).</i>
<i>TI12.H</i>	<i>Current Year - Countrywide</i>	<i>Report consolidated GAAP-basis experience for the current - most recent - reporting period for countrywide business in this column. The entries in this column are carried from Table TI02, Column TI02.H and Table TI03, Column TI03.H for line items in those reports that match the line items in this report.</i>
<i>TI12.I</i>	<i>First Prior Year - Countrywide</i>	<i>Report consolidated GAAP-basis experience for the first reporting period prior to the current reporting period for countrywide business in this column. The entries in this column are carried from Table TI02, Column TI02.I and Table TI03, Column TI03.I for line items in those reports that match the line items in this report.</i>
<i>TI12.J</i>	<i>Second Prior Year - Countrywide</i>	<i>Report consolidated GAAP-basis experience for the second reporting period prior to the current reporting period for countrywide business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table TI02 and Table TI03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table TI02 and Table TI03 must be used to develop the entries for this earlier period.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI12.K</i>	<i>Third Prior Year - Countrywide</i>	<i>Report consolidated GAAP-basis experience for the third reporting period prior to the current reporting period for countrywide business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table TI02 and Table TI03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table TI02 and Table TI03 must be used to develop the entries for this earlier period.</i>
<i>TI12.L</i>	<i>Fourth Prior Year - Countrywide</i>	<i>Report consolidated GAAP-basis experience for the fourth reporting period prior to the current reporting period for countrywide business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table TI02 and Table TI03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table TI02 and Table TI03 must be used to develop the entries for this earlier period.</i>
<i>TI12.M</i>	<i>Fifth Prior Year -- Countrywide</i>	<i>Report consolidated GAAP-basis experience for the fifth reporting period prior to the current reporting period for total countrywide business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table TI02 and Table TI03. Stated differently, the same procedures used to allocate assets and liabilities employed in Table TI02 and Table TI03 must be used to develop the entries for this earlier period. No expense item row entries are required for this reporting period (column).</i>

(3) *Descriptions and Instructions for Data Fields*

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI12.01</i>	<i>Year</i>	<i>Enter the year corresponding to the reporting year for each column as a four digit number without commas. For example, if the current reporting period is 2006, enter 2006 in this row in Column TI12.B and 2005, 2004, 2003 and 2002 in Columns TI12.C, TI12.D, TI12.E and TI12.F. In this example, enter 2006, 2005, 2004, 2003 and 2002 in Columns TI12.G, TI12.H, TI12.I, TI12.J and TI12.K, respectively.</i>
<i>TI12.02</i>	<i>Gross Title Premium</i>	<i>Report gross title premium in the same manner as reported in TI03.01.</i>
<i>TI12.03</i>	<i>Escrow Fees</i>	<i>Report full escrow fees in the same manner as reported in TI03.04.</i>
<i>TI12.04</i>	<i>Subescrow Fees</i>	<i>Report subescrow fees in the same manner as reported in TI03.05</i>
<i>TI12.05</i>	<i>Other Service Charges</i>	<i>Report other service revenues in the same manner as reported in TI03.08</i>
<i>TI12.06</i>	<i>Total Operating Revenue</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of rows TI12.02 through TI12.05. Report total operating revenue including title insurance premiums, escrow fees, other service charges and other operating revenue during the reporting period.</i>
<i>TI12.07</i>	<i>Total Title Loss and Loss Settlement Expenses</i>	<i>Report title loss and loss settlement expenses in the same manner as reported in TI03.27, which is the sum of title losses paid, changes in title loss case reserves and title loss adjustment expenses.</i>
<i>TI12.08</i>	<i>Total Escrow Loss and Loss Settlement Expenses</i>	<i>Report escrow loss and loss settlement expenses in the same manner as reported in TI03.31, which is the sum of escrow losses paid, changes in escrow loss reserves and escrow loss adjustment expenses.</i>
<i>TI12.09</i>	<i>Net Investment Income</i>	<i>Report net investment income in the same manner as reported in TI03.79.</i>
<i>TI12.10</i>	<i>Realized Capital Gains</i>	<i>Report realized capital gains in the same manner as reported in TI03.80.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI12.11</i>	<i>Unrealized Capital Gains</i>	<i>Report unrealized realized capital gains in the same manner as reported in TI03.80.</i>
<i>TI12.12</i>	<i>Net Income Before Taxes</i>	<i>Report net income before taxes in the same manner as reported in TI03.83</i>
<i>TI12.13</i>	<i>State Income Tax</i>	<i>Report state income taxes in the same manner as reported in TI03.84.</i>
<i>TI12.14</i>	<i>Federal Income Tax</i>	<i>Report federal income taxes in the same manner as reported in TI03.85.</i>
<i>TI12.15</i>	<i>RESERVED</i>	<i>Leave Blank</i>
<i>TI12.16</i>	<i>Goodwill</i>	<i>Report goodwill in the same manner as reported in TI02.09</i>
<i>TI12.17</i>	<i>RESERVED</i>	<i>Leave Blank</i>
<i>TI12.18</i>	<i>Total Assets</i>	<i>Report total assets in the same manner as reported in TI02.12</i>
<i>TI12.19</i>	<i>Title Case Loss Reserves</i>	<i>Report title case loss reserves in the same manner as reported in TI02.19.</i>
<i>TI12.20</i>	<i>Title Incurred But Not Reported Loss Reserves</i>	<i>Report title incurred but not reported loss reserves in the same manner as reported in TI02.20.</i>
<i>TI12.21</i>	<i>Escrow Claim Reserves</i>	<i>Report escrow claim reserves in the same manner as reported in TI02.21.</i>
<i>TI12.22</i>	<i>Total Reserves</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of TI12.19, TI12.20 and TI12.21.</i>
<i>TI12.23</i>	<i>RESERVED</i>	<i>Leave Blank</i>
<i>TI12.24</i>	<i>Total Liabilities</i>	<i>Report total liabilities in the same manner as reported in TI02.24.</i>
<i>TI12.25</i>	<i>RESERVED</i>	<i>Leave Blank</i>
<i>TI12.26</i>	<i>Total Equity</i>	<i>Report total equity in the same manner as reported in TI02.29</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>TI12.27</i>	<i>Total Reserves and Equity</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of TI12.22 and TI12.26.</i>
<i>TI12.28</i>	<i>Total Liabilities and Equity</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of TI12.24 and TI12.26.</i>

(m) **TI13** *Report of Unusual Charges.* Each title insurance company shall submit this report of unusual charges made pursuant to Insurance Code Section 12401.8. Each title insurance company shall submit a report UTC13 for each controlled escrow company controlled by the title insurance company and whose experience is not otherwise included in the report TI13 of the title insurance company. This report can be visualized as a table where each row is a separate record corresponding to a separate unusual charge and each column is a separate data field.

Field / Column Number	Data Field Name	Description and Instructions
<i>TI13.A</i>	<i>Name of Reporting Company</i>	<i>Enter the full name of the reporting company.</i>
<i>TI13.B</i>	<i>Reporting Period</i>	<i>Enter the experience year as a four-digit number without commas.</i>
<i>TI13.C</i>	<i>Transaction #</i>	<i>Enter the transaction number from Report TI01 that contains this unusual charge.</i>
<i>TI13.D</i>	<i>Risk or Service</i>	<i>Enter 1 of the following codes to describe the unusual charge:</i> <i>1. for unusual risk</i> <i>2. for unusual charge</i>
<i>TI13.E</i>	<i>Amount</i>	<i>Enter the dollar amount for the unusual charge with no commas.</i>
<i>TI13.F</i>	<i>Description</i>	<i>Provide a complete description of the unusual coverage or unusual service provided.</i>

Field / Column Number	Data Field Name	Description and Instructions
<i>TI13.G</i>	<i>Cost Justification</i>	<i>Provide a brief cost justification for the unusual charge.</i>

(n) **TI14 Detailed Policy Report.** Each title insurance company shall submit this report of detailed title policy information for policies issued during the reporting period. This report can be visualized as a table where each row is a separate record corresponding to a separate transaction and each column is a separate data field. For this report, a transaction is the issuance of a title policy. Each policy issuance is a separate transaction with the exception of concurrently-issued owner's and lender's policies for the same property. A concurrent issue of an owner's and lender's policy shall be reported as one transaction and, consequently, as one record in this table. The columns of the table are data fields, which are described below.

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>TI14.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the title insurance company whose experience is being reported.</i>
<i>TI14.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit numeral.</i>
<i>TI14.C</i>	<i>Policy Transaction #</i>	<i>Report a transaction number or code to identify the title policy information associated with a particular title policy issuance transaction. Each policy issuance is a separate transaction with the exception of concurrently-issued owner's and lender's policies for the same property. A concurrent issue of an owner's and lender's policy shall be reported as one transaction and, consequently, as one record in this table.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI14.D</i>	<i>Type of Real Estate Transaction</i>	<i>Report one of the following codes:</i> 1. <i>Residential Sale – New Home</i> 2. <i>Residential Sale – Resale of Existing Home</i> 3. <i>Residential Sale – Land Only</i> 4. <i>Residential Refinance</i> 5. <i>Residential Home Equity</i> 6. <i>Commercial or Industrial Sale</i> 7. <i>Commercial or Industrial Refinance</i> 8. <i>Other</i>
<i>TI14.E</i>	<i>UTC Involvement</i>	<i>Report one of the following codes:</i> 1. <i>Policy issued directly without involvement of underwritten title company.</i> 2. <i>Policy issued with assistance of affiliated underwritten title company.</i> 3. <i>Policy issued with assistance of non-affiliated underwritten title company.</i>
<i>TI14.F</i>	<i>Name of UTC</i>	<i>If the entry in data field TI14.E is 2 or 3, report the name of the underwritten title company involved in the transaction.</i>
<i>TI14.G</i>	<i>Street Address of Property</i>	<i>Report the street address of the property that is the subject of the transaction.</i>
<i>TI14.H</i>	<i>City</i>	<i>Report the city location of the property that is the subject of the transaction</i>
<i>TI14.I</i>	<i>County</i>	<i>Report the county location of the property that is the subject of the transaction.</i>
<i>TI14.J</i>	<i>ZIP Code</i>	<i>Report the 5-Digit ZIP Code location of the property that is the subject of the transaction as XXXXX.</i>
<i>TI14.K</i>	<i>Date of Policy Issuance</i>	<i>Report the date of policy issuance in YYYYMMDD format.</i>
<i>TI14.L</i>	<i>Owner’s Policy Form</i>	<i>Report the policy form code from report TI17 corresponding to the owner’s policy form issued.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI14.M</i>	<i>Owner's Policy Amount of Insurance</i>	<i>Report the amount of insurance on the owner's policy to the nearest dollar with no commas.</i>
<i>TI14.N</i>	<i>Owner's Policy Basic Premium</i>	<i>Report the amount of the premium, before addition of endorsement premium and before the application of discounts or surcharges, to the nearest dollar with no commas.</i>
<i>TI14.O</i>	<i>Lender's Policy 1 Form</i>	<i>Report the policy form code from report TI17 corresponding to the first lender's policy form issued.</i>
<i>TI14.P</i>	<i>Lender's Policy 1 Amount of Insurance</i>	<i>Report the amount of insurance on the first lender's policy to the nearest dollar with no commas.</i>
<i>TI14.Q</i>	<i>Lender's Policy 1 Basic Premium</i>	<i>Report the amount of the premium on the first lender's policy, before addition of endorsement premium and before the application of discounts or surcharges, to the nearest dollar with no commas.</i>
<i>TI14.R</i>	<i>Lender's Policy 2 Form</i>	<i>If two or more lenders' policies were issued, report the policy form code from report TI17 corresponding to the second lender's policy form issued.</i>
<i>TI14.S</i>	<i>Lender's Policy 2 Amount of Insurance</i>	<i>Report the amount of insurance on the second lender's policy to the nearest dollar with no commas.</i>
<i>TI14.T</i>	<i>Lender's Policy 2 Basic Premium</i>	<i>Report the amount of the premium for the second lender's policy, before addition of endorsement premium and before the application of discounts or surcharges, to the nearest dollar with no commas.</i>
<i>TI14.U</i>	<i>Discount / Surcharge 1</i>	<i>If a discount or surcharge was applied, report the code from Report TI17 corresponding to the discount or surcharge applied.</i>
<i>TI14.V</i>	<i>Discount / Surcharge 2</i>	<i>If more than one discount or surcharge was applied, report the code from Report TI17 corresponding to the second discount or surcharge applied.</i>

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>TI14.W</i>	<i>Discount / Surcharge 3</i>	<i>If more than two discounts or surcharges were applied, report the code from Report TI17 corresponding to the third discount or surcharge applied.</i>
<i>TI14.X</i>	<i>Discount / Surcharge 4</i>	<i>If more than three discounts or surcharges were applied, report the code corresponding to the fourth discount or surcharge applied.</i>
<i>TI14.Y</i>	<i>Endorsement 1</i>	<i>If an endorsement was added to the policy form or forms, report the endorsement code from report TI17 corresponding to the endorsement added.</i>
<i>TI14.Z</i>	<i>Endorsement 2</i>	<i>If more than one endorsement was added to a policy form or forms, report the endorsement code from report TI17 corresponding to the second endorsement added.</i>
<i>TI14.AA</i>	<i>Endorsement 3</i>	<i>If more than two endorsements were added to a policy form or forms, report the endorsement code from report TI17 corresponding to the third endorsement added.</i>
<i>TI14.AB</i>	<i>Endorsement 4</i>	<i>If more than three endorsements were added to a policy form or forms, report the endorsement code from report TI17 corresponding to the fourth endorsement added.</i>
<i>TI14.AC</i>	<i>Endorsement 5</i>	<i>If more than four endorsements were added to a policy form or forms, report the endorsement code from report TI17 corresponding to the fifth endorsement added.</i>
<i>TI14.AD</i>	<i>Total Premium for Title Policy or Policies</i>	<i>Report the total premium charged for the title policy or policies.</i>
<i>TI14.AE</i>	<i>Amount Paid to UTC per Underwriting Agreement</i>	<i>Report the amount of the total premium paid to an underwritten title company pursuant to an underwriting agreement.</i>

(o) **TI15 Detailed Claim Report.** Each title insurance company shall submit this report of detailed claim experience during the reporting period. All claim activity during the reporting period shall be included in this report, including claim payments, claim

recoveries, claim settlements without payment, claims denied and establishment or adjustment of reserves. This report can be visualized as a table where each row is a separate record of activity during the reporting year for an individual claim. The columns of the table are data fields, described below.

<i>Data Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI15.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the title insurance company whose experience is being reported. A separate report is required for each title insurance company.</i>
<i>TI15.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit numeral.</i>
<i>TI15.C</i>	<i>Date Policy Issued</i>	<i>Report the date of issuance of the policy under which the claim was made in YYYYMMDD. For example, report May 15, 2005 as "20050515" without the quotation marks.</i>
<i>TI15.D</i>	<i>Type of Real Estate Transaction</i>	<i>Report one of the following codes:</i> 1. <i>Residential Sale – New Home</i> 2. <i>Residential Sale – Resale of Existing Home</i> 3. <i>Residential Sale – Land Only</i> 4. <i>Residential Refinance</i> 5. <i>Residential Home Equity</i> 6. <i>Commercial or Industrial Sale</i> 7. <i>Commercial or Industrial Refinance</i> 8. <i>Other</i>
<i>TI15.E</i>	<i>Owner's or Lender's Policy</i>	<i>Report 1 if an owner's policy, 2 if a lender's policy or 3 if neither an owner's or lender's policy. Policy refers to the policy under which the claim was made.</i>
<i>TI15.F</i>	<i>Type of Policy Form</i>	<i>Report the policy form code from report TI15 corresponding to the policy under which the claim was made. If the policy under which the claim was made is not included in report TI15, report the name of the policy form with sufficient detail to identify the policy form under which the claim was made.</i>

<i>Data Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI15.G</i>	<i>Amount of Insurance</i>	<i>Report the amount of insurance on the policy. Report the amount without comma or dollar signs. For example, report a liability of \$542,000 as "542000" without the quotation marks.</i>
<i>TI15.H</i>	<i>Endorsement</i>	<i>If the claim is made under coverage provided by an endorsement, report the endorsement code from report TI15 corresponding to the endorsement providing the coverage sought by the claimant. If the endorsement under which the claim was made is not included in report TI15, report the name of the endorsement with sufficient detail to identify the endorsement under which the claim was made.</i>
<i>TI15.I</i>	<i>ALTA Risk Code</i>	<i>Report the type of claim using the American Land Title Association Risk Codes, February 2002 edition. That document or a link to the document is available on the California Department of Insurance web site.</i>
<i>TI15.J</i>	<i>Claim Denied</i>	<i>If the claim was denied, please report the reason for denial.</i>
<i>TI15.K</i>	<i>Amount Paid</i>	<i>Report the dollar amount paid on this claim by the end of the reporting period.</i>
<i>TI15.L</i>	<i>Amount Reserved</i>	<i>Report the dollar amount of any claim reserve established for this claim at the end of the reporting period.</i>
<i>TI15.M</i>	<i>Loss Adjustment Expenses Paid</i>	<i>Report the dollar amount of any amount of loss adjustment expense paid on this claim by the end of the reporting period.</i>
<i>TI15.N</i>	<i>Loss Adjustment Expense Reserve</i>	<i>Report the dollar amount of any loss adjustment expense reserve established for this claim at the end of the reporting period.</i>
<i>TI15.O</i>	<i>UTC Recoveries</i>	<i>Report the dollar amount of any recoveries on this claim obtained from underwritten title companies by the end of the reporting period.</i>

<i>Data Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI15.P</i>	<i>Other Recoveries</i>	<i>Report the dollar amount of any recoveries on this claim obtained from any source other than an underwritten title company by the end of the reporting period.</i>

(p) *TI16 Loss Development Report. Each title insurance company shall submit a Report TI16, which is a 20-year loss development report for California-only business. Report TI16 is similar to several of the Schedules P in the Statutory Annual Statement, but Report TI16 consolidates several Schedules P into one report or table and is limited to California-only business while the Schedules P are countrywide experience.*

(1) *Report TI16 is set up as a typical loss development report with rows and columns representing policy year experience. Lines TI16.001 through TI16.004 contain summary policy year information for Gross Written Title Premium, Gross Earned Title Premium, Amount of Insurance and Paid Unallocated Loss Adjustment Expenses. Paid Unallocated Loss Adjustment Expense may require an allocation of countrywide ULAE to California.*

(A) *Rows TI16.005 through TI16.024 is a 20-year loss development table for number of paid claims.*

(B) *Rows TI16.025 through TI16.044 is a 20-year loss development table for paid losses before recoveries from underwritten title companies.*

(C) *Rows TI16.045 through TI16.064 is a 20-year loss development table for paid losses net of recoveries from underwritten title companies and any other entity.*

(D) *Rows TI16.065 through TI16.084 is a 20-year loss development table for claim case reserves.*

(E) *Rows TI16.085 through TI16.104 is a 20-year loss development table for paid allocated loss adjustment expenses.*

(F) *Rows TI16.105 through TI16.124 is a 20-year loss development table for allocated loss adjustment expense case reserves.*

(2) *Reporting companies should keep worksheets for Report TI16, including, for example, any ULAE allocation calculations for the five most recent annual Report TI16 submissions.*

(3) Report TI16 must be reported using the spreadsheet template provided by the Department and available on the Department's web site: www.insurance.ca.gov.

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
TI16.A	Reporting Company	Report the name of the title insurance company whose experience is being reported. A separate report is required for each title insurance company.
TI16.B	Line #	Report the line number from the table below for Report TI16. The line numbers are pre-entered in the spreadsheet template.
TI16.C	Line Description	Report the line description corresponding to the line number in TI16.B. The line descriptions are pre-entered in the spreadsheet template.
TI16.D	19th Prior Year	The current year is the most recent calendar year. The 19th prior year is nineteen years earlier. For example, if the most recent calendar year is 2006, then the 19th prior year is 1987. Enter the year as a four-digit number without a comma.
TI16.E	18th Prior Year	The current year is the most recent calendar year. The 18th prior year is eighteen years earlier. For example, if the most recent calendar year is 2006, then the 18th prior year is 1988. Enter the year as a four-digit number without a comma.
TI16.F	17th Prior Year	The current year is the most recent calendar year. The 17th prior year is seventeen years earlier. For example, if the most recent calendar year is 2006, then the 17th prior year is 1989. Enter the year as a four-digit number without a comma.
TI16.G	16th Prior Year	The current year is the most recent calendar year. The 16th prior year is sixteen years earlier. For example, if the most recent calendar year is 2006, then the 16th prior year is 1990. Enter the year as a four-digit number without a comma.

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI16.H</i>	<i>15th Prior Year</i>	<i>The current year is the most recent calendar year. The 15th prior year is fifteen years earlier. For example, if the most recent calendar year is 2006, then the 15th prior year is 1991. Enter the year as a four-digit number without a comma.</i>
<i>TI16.I</i>	<i>14th Prior Year</i>	<i>The current year is the most recent calendar year. The 14th prior year is fourteen years earlier. For example, if the most recent calendar year is 2006, then the 14th prior year is 1992. Enter the year as a four-digit number without a comma.</i>
<i>TI16.J</i>	<i>13th Prior Year</i>	<i>The current year is the most recent calendar year. The 13th prior year is thirteen years earlier. For example, if the most recent calendar year is 2006, then the 13th prior year is 1993. Enter the year as a four-digit number without a comma.</i>
<i>TI16.K</i>	<i>12th Prior Year</i>	<i>The current year is the most recent calendar year. The 12th prior year is twelve years earlier. For example, if the most recent calendar year is 2006, then the 12th prior year is 1994. Enter the year as a four-digit number without a comma.</i>
<i>TI16.L</i>	<i>11th Prior Year</i>	<i>The current year is the most recent calendar year. The 11th prior year is eleven years earlier. For example, if the most recent calendar year is 2006, then the 11th prior year is 1995. Enter the year as a four-digit number without a comma.</i>
<i>TI16.M</i>	<i>10th Prior Year</i>	<i>The current year is the most recent calendar year. The 10th prior year is ten years earlier. For example, if the most recent calendar year is 2006, then the 10th prior year is 1996. Enter the year as a four-digit number without a comma.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI16.N</i>	<i>9th Prior Year</i>	<i>The current year is the most recent calendar year. The 9th prior year is nine years earlier. For example, if the most recent calendar year is 2006, then the 9th prior year is 1997. Enter the year as a four-digit number without a comma.</i>
<i>TI16.O</i>	<i>8th Prior Year</i>	<i>The current year is the most recent calendar year. The 8th prior year is eight years earlier. For example, if the most recent calendar year is 2006, then the 8th prior year is 1998. Enter the year as a four-digit number without a comma.</i>
<i>TI16.P</i>	<i>7th Prior Year</i>	<i>The current year is the most recent calendar year. The 7th prior year is seven years earlier. For example, if the most recent calendar year is 2006, then the 7th prior year is 1999. Enter the year as a four-digit number without a comma.</i>
<i>TI16.Q</i>	<i>6th Prior Year</i>	<i>The current year is the most recent calendar year. The 6th prior year is six years earlier. For example, if the most recent calendar year is 2006, then the 6th prior year is 2000. Enter the year as a four-digit number without a comma.</i>
<i>TI16.R</i>	<i>5th Prior Year</i>	<i>The current year is the most recent calendar year. The 5th prior year is five years earlier. For example, if the most recent calendar year is 2006, then the 5th prior year is 2001. Enter the year as a four-digit number without a comma.</i>
<i>TI16.S</i>	<i>4th Prior Year</i>	<i>The current year is the most recent calendar year. The 4th prior year is four years earlier. For example, if the most recent calendar year is 2006, then the 4th prior year is 2002. Enter the year as a four-digit number without a comma.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI16.T</i>	<i>3rd Prior Year</i>	<i>The current year is the most recent calendar year. The 3rd prior year is three years earlier. For example, if the most recent calendar year is 2006, then the 3rd prior year is 2003. Enter the year as a four-digit number without a comma.</i>
<i>TI16.U</i>	<i>2nd Prior Year</i>	<i>The current year is the most recent calendar year. The 2nd prior year is two years earlier. For example, if the most recent calendar year is 2006, then the 2nd prior year is 2004. Enter the year as a four-digit number without a comma.</i>
<i>TI16.V</i>	<i>1st Prior Year</i>	<i>The current year is the most recent calendar year. The 1st prior year is one year earlier. For example, if the most recent calendar year is 2006, then the 1st prior year is 2005. Enter the year as a four-digit number without a comma.</i>
<i>TI16.W</i>	<i>Current</i>	<i>The current year is the most recent calendar year. Enter the year as a four-digit number without a comma.</i>

(q) **TI17** *Report of Title Insurance Policy Forms, Endorsements, Discounts and Surcharges.* Each title insurance company shall submit this report of title insurance policy forms, endorsements, discounts and surcharges used during the reporting period. This report can be visualized as a table with each row (record) describing a different title policy form and each column representing the data fields described below.

<i>Data Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI17.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the title insurance company whose experience is being reported. A separate report is required for each title insurance company.</i>
<i>TI17.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit numeral.</i>

<i>Data Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI17.C</i>	<i>Type of Record</i>	<i>Report 1 if the record describes a policy form, 2 if the record describes an endorsement, and 3 if the record describes a discount or surcharge.</i>
<i>TI17.D</i>	<i>Code</i>	<i>Report a unique code for each policy form, endorsement, discount and surcharge.</i>
<i>TI17.E</i>	<i>Name</i>	<i>Report the name / description of the policy form, endorsement, discount or surcharge associated with the unique code from field TI17.D. For policy forms and endorsements, report the full name of the policy form or endorsement and the year approved for use. For discounts or surcharges, report a description of the discount or surcharge.</i>
<i>TI17.F</i>	<i>Rate Filing Location</i>	<i>Report the date and page number of the rate filing in which the rate can be found. Report in the format YYYYMMDD PPP, where YYYYMMDD is the four-digit year, month and day followed by a space and then the page number, where the page number can be a number or letter and number combination. For example, 20060501 E17.</i>
<i>TI17.G</i>	<i>Owner's or Lender's</i>	<i>If applicable, report whether the form, endorsement, discount or surcharge is, or applies to, an owner's policy, a lender's policy or both, using the following codes: 1 if the form is an owner's policy or if the endorsement, discount or surcharge applies only to an owner's policy 2 if the form is a lender's policy or if the endorsement, discount or surcharge applies only to a lender's policy 3 if the form is lender's or owner's policy or the endorsement, discount or surcharge can apply to an owner's policy or a lender's policy</i>

<i>Data Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>TI17.H</i>	<i>Standard or Extended Coverage</i>	<p>Report one of the following codes to describe policy forms</p> <p>1 if standard coverage</p> <p>2 if extended coverage</p> <p>3 if greater than extended coverage</p> <p>4 if other than 1, 2 or 3</p>
<i>TI17.I</i>	<i>Type of Rate</i>	<p>Describe the type of rate by entering one of the following codes:</p> <p>1 if the rate is a percentage of an amount in a basic rate table</p> <p>2 if the rate is a fixed dollar amount</p> <p>3 if the rate is a percentage of the basic premium</p> <p>4 if other than 1, 2 or 3</p>
<i>TI17.J</i>	<i>Rate</i>	<p>If the code in TI17.I is 1, report the percentage as a whole number. For example, if the rate is 64% of the basic rate table, report 64.</p> <p>If the code in TI17.I is 2, report the dollar amount to the nearest whole dollar without commas.</p> <p>If the code in TI17.I is 3, report the percentage as a whole number.</p> <p>If the code in TI17.I is 4, report a description of the rate.</p>

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2356.9 Annual Financial Data Requirements for Underwritten Title Company Reports

(a) *UTC01 Title and Escrow Transaction Report. Each underwritten title company shall submit this report of title, escrow and other services transactions by the underwritten title company during the reporting period. Include transactions that were opened in previous years and which were closed or cancelled during the reporting period. Include transactions that were opened during the reporting period whether or not the transactions were*

closed, cancelled or remained open at the end of the reporting period. Each underwritten title company shall submit a report UTC01 for each controlled escrow company controlled by the underwritten title company and whose experience is not otherwise included in the report UTC01 of the underwritten insurance company.

This report can be visualized as a table where each row is a separate record corresponding to a separate transaction and each column is a separate data field. For this report, a transaction is the set of activities associated with a single property transaction. For example - for this report - a transaction might consist of title, escrow and other service activities if all those activities were performed for the same property transaction. Or the transaction might consist of only title activity if, for example, a preliminary report was the only activity performed for the particular property transaction. A transaction may consist of any combination of title, escrow and other services activities to the extent one or more of the activities were performed for a single property transaction. The data fields described for this report, below, can be visualized as the columns in a table.

A transaction that involves a work charge / premium split - described in the instructions for column UTC01.F - should be reported by both organizations involved in that transaction reflecting their respective activities in the transaction. For example, if a title insurer and an underwritten title company or if two underwritten title companies employed a work charge / premium split for a title policy on a particular real estate transaction, both organizations should report their respective activities on that transaction in their respective Title and Escrow Transaction Reports.

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC01.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the underwritten title company. A separate report is required for each underwritten title company. A separate report is required for each controlled escrow company which is controlled by the underwritten title company and whose experience is not otherwise included in the UTC01 report of the underwritten title company. The Title and Escrow Transaction Report for such a controlled escrow company reports should be completed using the UTC01 report format.</i>
<i>UTC01.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number. Report experience during the reporting period.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC01.C</i>	<i>Internal Transaction #</i>	<i>Report the internal transaction number or code used to identify this transaction from other transactions. If no such internal transaction numbers are used, create a unique number or code for each transaction.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC01.D</i>	<i>Type of Title and Escrow Transaction</i>	<p><i>Report one of the following codes. Title refers to a preliminary report, title policy, title guaranty or other activity regarding the assurance of title. Full escrow refers to the complete set of escrow activities associated with a typical residential transaction including, at a minimum:</i></p> <ul style="list-style-type: none"> <i>• Serving as the liaison to all parties in the transaction;</i> <i>• Preparing escrow instructions;</i> <i>• Requesting a preliminary title search or title commitment to determine the present condition of title to the property;</i> <i>• Complying with the lender's requirements as specified in the escrow agreement;</i> <i>• Receiving purchase funds from the buyer;</i> <i>• Preparing or securing the deed or other documents related to escrow;</i> <i>• Prorating taxes, interest, insurance and rents according to instructions;</i> <i>• Securing releases of all contingencies or other conditions required;</i> <i>• Recording deeds and any other documents as instructed;</i> <i>• Closing escrow when all instructions from buyer and seller have been carried out;</i> <i>• Disbursing authorized funds; and</i> <i>• Preparing final statement</i> <p><i>Subescrow refers to funds transfer for lenders in those situations where an entity other than the reporting company is performing other escrow activities. Subescrow typically occurs in Southern California when escrow is performed by independent escrow companies.</i></p> <ol style="list-style-type: none"> <i>1. Title and Full Escrow</i> <i>2. Title and Subescrow</i> <i>3. Title Only</i> <i>4. Full Escrow Only</i> <i>5. Subescrow Only</i> <i>6. None of the Above</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC01.E</i>	<i>Other Services</i>	<p>Report one of the following codes. Other services refer to services or products other than a preliminary report, title policy, full escrow or subescrow.</p> <ol style="list-style-type: none"> 1. <i>Other Services Provided</i> 2. <i>Other Services Not Provided</i>
<i>UTC01.F</i>	<i>Work Charge / Premium Split</i>	<p>Pursuant to Insurance Code § 12412, an underwritten title company may divide fees or charges, for work and services actually performed, between title insurance companies or between title insurance companies and underwritten title companies. A work charge or premium split refers to a payment from the reporting company to another underwritten title company or to a title insurer or a payment to the reporting company from another title insurance company or underwritten title company. Some companies refer to work charges as premium splits because the company collecting the title premium or escrow fee pays a portion of the premium or escrow fee to another company for services provided in connection with the title or escrow transaction. Work charges / premium splits refer only to payments between title insurance companies, between underwritten title companies or between underwritten title companies and title insurers. Report one of the following codes:</p> <ol style="list-style-type: none"> 1. <i>Paid a work charge to another title insurance company, underwritten title company or controlled escrow company</i> 2. <i>Received a work charge from another title insurance company, underwritten title company or controlled escrow company</i> 3. <i>Paid a work charge and received work charge from another title insurance company, underwritten title company or controlled escrow company</i> 4. <i>No work charge paid or received</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC01.G</i>	<i>Type of Real Estate Transaction</i>	<p>Report one of the following codes:</p> <ol style="list-style-type: none"> 1. Residential Sale – New Home 2. Residential Sale – Resale of Existing Home 3. Residential Sale – Land Only 4. Residential Refinance 5. Residential Home Equity 6. Commercial or Industrial Sale 7. Commercial or Industrial Refinance 8. Other
<i>UTC01.H</i>	<i>Street Address of Property</i>	Report the street address of the property that is the subject of the transaction.
<i>UTC01.I</i>	<i>ZIP Code of Property</i>	Report the 5-Digit ZIP Code location of the property that is the subject of the transaction as XXXXX.
<i>UTC01.J</i>	<i>County of Property</i>	Report the county location of the property that is the subject of the transaction.
<i>UTC01.K</i>	<i>Source of Order</i>	Report the name of the source of the title and/or escrow order. The source of the title order is the entity referring the business to the underwritten title company. The source of the title order may not be the reporting company itself. If the source of business is the escrow department of the reporting company, report the escrow department's source of business. Report the complete name of any real estate agent, real estate agency, lender, homebuilder or other business source. Report the business name of the source, if one exists.
<i>UTC01.L</i>	<i>Affiliated Source</i>	Report 1 if the source of business is affiliated with the reporting company or 0 if the source of business is not affiliated with the reporting company.
<i>UTC01.M</i>	<i>Date Order Opened</i>	Report the date the order was opened in YYYYMMDD format.
<i>UTC01.N</i>	<i>Date Order Cancelled</i>	If the order was cancelled, report the date cancelled in YYYYMMDD format.

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC01.O</i>	<i>Date Order Closed</i>	<i>If the order was closed, report the date closed in YYYYMMDD format</i>
<i>UTC01.P</i>	<i>Type of Title Transaction</i>	<i>Report one of the following codes:</i> <i>1. Concurrent Issue of Single Owner's Policy and Single Lender's Policy</i> <i>2. Concurrent Issue of Multiple Owner's Policies and Single Lender's Policy</i> <i>3. Concurrent Issue of Single Owner's Policy and Multiple Lender's Policies</i> <i>4. Concurrent Issue of Multiple Owner's Policies and Multiple Lenders' Policies</i> <i>5. Single Owner's Policy Only</i> <i>6. Single Lender's Policy Only</i> <i>7. Multiple Owners' Policies Only</i> <i>8. Multiple Lender's Policies Only</i> <i>9. Title Guaranty</i> <i>10. Other Title Transaction</i>
<i>UTC01.Q</i>	<i>Preliminary Report Delivered</i>	<i>Report one of the following codes:</i> <i>1. Preliminary report delivered with no charge</i> <i>2. Preliminary report delivered with a charge</i> <i>3. Preliminary report prepared but not delivered</i> <i>4. No preliminary report prepared.</i>
<i>UTC01.R</i>	<i>Preliminary Report Charge</i>	<i>If a separate charge was made for the preliminary report, report the amount received for the preliminary report to the nearest dollar without commas, periods or dollar signs.</i>
<i>UTC01.S</i>	<i>Title Premium Owner's Policy</i>	<i>If an owner's policy was issued, report the premium charge for the policy to the nearest dollar without commas, periods or dollar signs. If multiple owners' policies were issued, report the total premium charge for all owners' policies.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC01.T</i>	<i>Title Premium Lender's Policy</i>	<i>If a lender's policy was issued, report the premium charge for the policy to the nearest dollar without commas, periods or dollar signs. If multiple lenders' policies were issued, report the total premium charge for all lenders' policies.</i>
<i>UTC01.U</i>	<i>Escrow Charge</i>	<i>If a charge was made for setting up, conducting or canceling full escrow, report the amount of the charge to the nearest dollar without commas, periods or dollar signs.</i>
<i>UTC01.V</i>	<i>Subescrow Charge</i>	<i>If a charge was made for setting up, conducting or canceling subescrow, report the amount of the charge to the nearest dollar without commas, periods or dollar signs.</i>
<i>UTC01.W</i>	<i>Other Services Charges</i>	<i>If a charge was made for other services, report the total amount of the charges to the nearest dollar without commas, periods or dollar signs.</i>
<i>UTC01.X</i>	<i>Title Search / Examination Location</i>	<i>Report the code from UTC09 for the name and location of the facility where the title search and examination was conducted. This data field must have an entry if the entry in UTC01.D is 1, 2 or 3.</i>
<i>UTC01.Y</i>	<i>Title Policy Issuance Location</i>	<i>Report the code from UTC09 for the name and location of the facility where the title policy was produced and issued from. This data field must have an entry if there is an entry in UTC01.S or UTC01T.</i>
<i>UTC01.Z</i>	<i>Escrow Office</i>	<i>Report the code from UTC09 for the name and location of the facility where the escrow was carried out. This data field must have an entry if the entry in UTC01.D is 1, 2, 4 or 5.</i>
<i>UTC01.AA</i>	<i>Independent Escrow Company</i>	<i>If the transaction involved escrow services performed by an entity other than the reporting company, report the name of that entity. If the transaction did not involve escrow services provided by an entity other than the reporting company, leave blank.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC01.AB</i>	<i>Independent Escrow Company Affiliation</i>	<i>If there is an entry in UTC01.AA, report 1 if the entity is affiliated with the reporting company. Refer to Insurance Code Section 1215(a) for the definition of “affiliate” and “affiliated.” If there is no entry in UTC01.AA, leave blank.</i>

(b) *UTC02 California and Countrywide Balance Sheet. Report UTC02 is a report of assets and liabilities for underwritten title companies on a consolidated Generally Accepted Accounting Principles (GAAP) basis. Preparation of Report UTC02 requires consolidation of countrywide financial results of subsidiaries, conversion of countrywide consolidated financial results to a GAAP basis, allocation of countrywide financial results to individual states and summarization of individual states’ financial results. An underwritten title company that operates only in California will make entries only in the California-specific data columns.*

(1) *A single Report UTC02 should be submitted for an underwritten title company and any of its subsidiaries which are engaged in the business of title insurance, including:*

- *title insurance companies;*
- *underwritten title companies; and*
- *controlled escrow companies.*

(2) *An underwritten title company licensed in California that is a subsidiary of another title insurance company or an underwritten title company licensed in California should not submit Report UTC02, but have its experience included in the report of the parent. There should be only one submission for a parent underwritten title company and all its subsidiaries engaged in the business of title insurance. Any underwritten title company which is not submitting a Report UTC02 because that company’s experience has been consolidated into a parent company’s submission should indicate on its (the subsidiary’s) individual submission transmittal form the name of the parent company which has submitted a Report UTC02 or Report TI02 which includes the experience of the subsidiary reporting company.*

(3) *Two or more title insurance companies - which are not subsidiaries of one another but are affiliated with one another because they are all subsidiaries of a parent holding company which is not a title insurance company, underwritten title company or controlled escrow company - must each submit a consolidated Report UTC02 for the*

experience of the reporting company and any subsidiaries that are title insurance companies, underwritten title companies or controlled escrow companies.

(4) *Report UTC02 must be submitted using the spreadsheet template provided by the Commissioner on the Department of Insurance web site: www.insurance.ca.gov.*

(5) *Report UTC02 includes two sections - assets / liabilities and adjustments. In the adjustments section, reporting companies shall report the consolidation and GAAP conversion adjustments made to individual statutory accounting reports for the business entities engaged in the business of title insurance in California.*

(6) *For most asset and liability items, the reporting company may choose the allocation method to assign the portion of those countrywide asset or liability amounts not identifiable with a specific state to California that best reflects amount of the asset or liability used to support the business of title insurance in California. The allocation of the following liability items is prescribed:*

(A) *Incurred But Not Reported Title Reserves: Allocate to California by the ratio of the sum of California-specific incurred title losses and California-specific title case loss reserves at the end of the reporting year to the sum of countrywide incurred title losses and countrywide title case loss reserves at the end of the reporting year.*

(B) *GAAP Net Worth: Allocate to California by the ratio of the sum of California reserves and California total revenue at the end of the reporting year to the sum of countrywide reserves plus total revenue at the end of the reporting year. Reserves are the sum of title case loss reserves, title incurred but not reported reserves and escrow loss reserves. Total revenue is the sum of gross title premium, escrow fees, subescrow fees and other services charges which are Lines UTC03.01, UTC03.04, UTC03.05 and UTC03.08, respectively, of Report UTC03.*

(7) *Report UTC02 requests experience for the current reporting year and the prior reporting year. For example, the 2007 UTC02 report, submitted by April 30, 2008, contains assets and liabilities at year-end 2007 (the current reporting year) and at year-end 2006 (the prior reporting year).*

(8) *Reporting companies shall maintain any worksheets used in preparing Report UTC02 for the six most recent reporting years.*

(9) *Data Fields for Section 1: Assets and Liabilities*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC02.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the reporting company. In a separate document accompanying the submission of this report, provide a list of the entities whose experience is consolidated into Report UTC02.</i>
<i>UTC02.B</i>	<i>Line #</i>	<i>Report the line number from the table in section 2356.9(b)(10) to indicate the asset or liability being adjusted or consolidated.</i>
<i>UTC02.C</i>	<i>Line Description</i>	<i>Report the line description, corresponding to the line number in UTC02.B.</i>
<i>UTC02.D</i>	<i>California Current Year Total</i>	<i>Report the sum of columns UTC02.I and UTC02.P for this line. This is a calculated amount in the spreadsheet template.</i>
<i>UTC02.E</i>	<i>California Prior Year Total</i>	<i>Report the sum of columns UTC02.K and UTC02.S for this line. This is a calculated amount in the spreadsheet template.</i>
<i>UTC02.F</i>	<i>Elsewhere Current Year Total</i>	<i>Report the sum of UTC02.H less UTC02.D. This is a calculated amount in the spreadsheet template.</i>
<i>UTC02.G</i>	<i>Elsewhere Prior Year Total</i>	<i>Report the sum of UTC02.J less UTC02.E. This is a calculated amount in the spreadsheet template.</i>
<i>UTC02.H</i>	<i>Countrywide Consolidated Current Year Total</i>	<i>Report the consolidated GAAP-basis countrywide total for the current year for the asset or liability item in UTC02.D. This amount comes from the consolidation worksheets.</i>
<i>UTC02.I</i>	<i>Countrywide Consolidated Prior Year Total</i>	<i>Report the consolidated GAAP-basis countrywide total for the prior year for the asset or liability item in UTC02.D. This amount comes from the consolidation worksheets.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC02.J</i>	<i>California Identifiable Current Year</i>	<i>Report the amount of the asset or liability item in UTC02.D that is identifiable with California-only business for the current year. Report only the amounts for items exclusively associated with California-only business. The current year is the most recent experience period. This amount comes from the allocation worksheets.</i>
<i>UTC02.K</i>	<i>California Identifiable Prior Year</i>	<i>Report the amount of the asset or liability item in UTC02.D that is identifiable with California-only business for the prior year. Report only the amounts for items exclusively associated with California-only business. The prior year is the most recent experience period prior to the current year. This amount comes from the allocation worksheets.</i>
<i>UTC02.L</i>	<i>Elsewhere Identifiable Current Year</i>	<i>Report the amount of the asset or liability item in UTC02.D that is identifiable with individual states other than California for the current year. Report only those amounts for items exclusively associated with individual states other than California. This amount comes from the allocation worksheets.</i>
<i>UTC02.M</i>	<i>Elsewhere Identifiable Prior Year</i>	<i>Report the amount of the asset or liability item in UTC02.D that is identifiable with individual states other than California for the prior. Report only those amounts for items exclusively associated with individual states other than California. The prior year is the most recent experience period prior to the current year. This amount comes from the allocation worksheets.</i>
<i>UTC02.N</i>	<i>Countrywide Non-Identifiable Current Year</i>	<i>Report the amount UTC02.H less the sum of UTC02.J and UTC02.L. This is a calculated amount in the spreadsheet template.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC02.O</i>	<i>Basis for Allocation of Current Year Non-Identifiable</i>	<i>Report the basis for determining the share of the amount reported in UTC02.N associated with California business. Stated differently, report the method of allocating a portion of the amount in UTC02.N to California business. Examples include: Number of title policies closed Number of employees Number of claims Number of escrow orders opened</i>
<i>UTC02.P</i>	<i>California Allocation of Countrywide Non-Identifiable Current Year</i>	<i>Report the amount of item UTC02.N allocated to California business using the method described in UTC02.O for the current year.</i>
<i>UTC02.Q</i>	<i>Countrywide Non-Identifiable Prior Year</i>	<i>Report the amount UTC02.I less the sum of UTC02.K and UTC02.M. This is a calculated amount in the spreadsheet template.</i>
<i>UTC02.R</i>	<i>Basis for Allocation of Prior Year Non-Identifiable</i>	<i>Report the basis for determining the share of the amount reported in UTC02.Q associated with California business for the prior year. Stated differently, report the method of allocating a portion of the amount in UTC02.Q to California business for the prior year. Examples include: Number of title policies closed Number of employees Number of claims Number of escrow orders opened</i>
<i>UTC02.S</i>	<i>California Allocation of Countrywide Non-Identifiable Prior Year</i>	<i>Report the amount of item UTC02.Q allocated to California business using the method described in UTC02.R for the prior year.</i>

(10) *Data Rows for Section 1: Assets and Liabilities*

The report of assets and liabilities should be prepared according to Generally Accepted Accounting Principles (GAAP).

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>UTC02.01</i>	<i>Assets: Cash and Cash Equivalents</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.02</i>	<i>Assets: Accounts Receivable Net of Allowance for Doubtful Accounts</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.03</i>	<i>Assets: Notes/Loans Receivable</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.04</i>	<i>Assets: Prepaid Expenses</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.05</i>	<i>Assets: Deferred Income Taxes</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.06</i>	<i>Assets: Investments</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.07</i>	<i>Assets: Property and Equipment Net of Depreciation</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.08</i>	<i>Assets: Escrow Statutory Deposits with Insurance Commissioner</i>	<i>Report consolidated and allocated GAAP amounts.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>UTC02.09</i>	<i>Assets: Goodwill / Costs in Excess of Assets Acquired</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.10</i>	<i>Assets: Title Plant</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.11</i>	<i>Assets: Aggregate Write-Ins for Assets</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is carried from the list of write-ins for assets.</i>
<i>UTC02.12</i>	<i>Assets: Total</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines UTC02.01 through UTC02.11.</i>
<i>UTC02.13</i>	<i>Liabilities: Accounts Payable and Accrued Expenses</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.14</i>	<i>Liabilities: Title Premium Due Others</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.15</i>	<i>Liabilities: Notes/Loans Payable</i>	<i>Report consolidated and allocated GAAP amounts.</i>
<i>UTC02.16</i>	<i>Liabilities: Leases Payable</i>	<i>Report consolidated and allocated GAAP amounts.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
UTC02.17	<i>Liabilities: Accrued Personnel Costs -- Salary, Bonus and Vacation Payable</i>	<i>Report consolidated and allocated GAAP amounts.</i>
UTC02.18	<i>Liabilities: Pensions and Retirement Plans</i>	<i>Report consolidated and allocated GAAP amounts.</i>
UTC02.19	<i>Liabilities: Title Case Loss Reserves</i>	<i>Report consolidated and allocated GAAP amounts.</i>
UTC02.20	<i>Liabilities: Title Incurred But Not Reported Loss Reserves</i>	<i>Report consolidated and allocated GAAP amounts. Allocate to California by the ratio of the sum of California-specific incurred title losses and California-specific title case loss reserves at the end of the reporting year to the sum of countrywide incurred title losses and countrywide title case loss reserves at the end of the reporting year.</i>
UTC02.21	<i>Liabilities: Escrow Claim Reserves</i>	<i>Report consolidated and allocated GAAP amounts.</i>
UTC02.22	<i>Liabilities: Total Reserves</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines UTC02.19 through UTC02.21.</i>
UTC02.23	<i>Liabilities: Aggregate Write-Ins for Liabilities</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is carried from the list of write-ins for liabilities.</i>
UTC02.24	<i>Liabilities: Total</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines UTC02.13 through UTC02.21 and UTC02.23.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
UTC02.25	Equity: Stock	Report consolidated GAAP amounts only in countrywide amount columns. Only total equity is allocated to California.
UTC02.26	Equity: Additional Paid-In Capital	Report consolidated GAAP amounts only in countrywide amount columns. Only total equity is allocated to California.
UTC02.27	Equity: Retained Earnings	Report consolidated GAAP amounts only in countrywide amount columns. Only total equity is allocated to California.
UTC02.28	Equity: Aggregate Write-Ins for Equity	Report consolidated GAAP amounts only in countrywide amount columns. Only total equity is allocated to California.
UTC02.29	Equity: Total	This is a calculated amount for countrywide amount columns and no entry is required in the spreadsheet template. This entry is the sum of lines UTC02.25 through UTC02.28. For California amount columns, allocate to California by the ratio of the sum of California reserves and California total revenue at the end of the reporting year to the sum of countrywide reserves plus total revenue at the end of the reporting year.
UTC02.30	Liabilities and Equity: Total	This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines UTC02.24 and UTC02.29.

(11) *Data Fields for Section 2: Adjustments for Consolidation and GAAP Conversion*

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
UTC02.AA	Name of Reporting Entity	Report the name of the insurer group or holding company. In a separate document accompanying the submission of this report, provide a list of the entities whose experience is consolidated into Report UTC02

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC02.AB</i>	<i>Line #</i>	<i>Report the line number from the table in section 2356.9(b)(10) to indicate the asset or liability item being adjusted or consolidated.</i>
<i>UTC02.AC</i>	<i>Line Description</i>	<i>Report one of the following codes: 1. Consolidation Adjustment 2. GAAP Conversion Adjustment</i>
<i>UTC02.AD</i>	<i>Reporting Period</i>	<i>Report one of the following codes: 1. Current Year 2. Prior Year</i>
<i>UTC02.AE</i>	<i>Parent Company</i>	<i>If entry in UTC02.AC is 1 (consolidation adjustment), report the complete name of the parent company.</i>
<i>UTC02.AF</i>	<i>Subsidiary Company</i>	<i>If entry in UTC02.AC is 1 (consolidation adjustment), report the complete name of the subsidiary company.</i>
<i>UTC02.AG</i>	<i>Amount of Adjustment</i>	<i>Report the amount of the consolidation or GAAP conversion adjustment.</i>
<i>UTC02.AH</i>	<i>Description of Adjustment</i>	<i>Provide a description of the consolidation or GAAP conversion adjustment in sufficient detail to enable a person familiar with SAP and GAAP accounting to understand the exact adjustment made. The spreadsheet template can accept detailed explanations.</i>

(c) **UTC03 California and Countrywide Income Statement.** *Report UTC03 is a report of income and expenses for title insurance companies on a consolidated Generally Accepted Accounting Principles (GAAP) basis. Preparation of Report UTC03 requires consolidation of countrywide financial results of subsidiaries, conversion of countrywide consolidated financial results to a GAAP basis, allocation of countrywide financial results to individual states and summarization of individual states' financial results. An underwritten title company that operates only in California will make entries only in the California-specific data columns.*

(1) *A single Report UTC03 should be submitted for an underwritten title company and any of its subsidiaries which are engaged in the business of title insurance, including:*

- title insurance companies;
- underwritten title companies; and
- controlled escrow companies.

(2) *An underwritten title company licensed in California that is a subsidiary of another title insurance company or an underwritten title company licensed in California should not submit Report UTC03, but have its experience included in the report of the parent. Stated differently, there should be only one submission for a parent underwritten title company and all its subsidiaries engaged in the business of title insurance. Any underwritten title company which is not submitting a Report UTC03 because that company's experience has been consolidated into a parent company's submission should simply indicate on its (the subsidiary's) individual submission transmittal form the name of the parent company which has submitted a Report UTC03 which includes the experience of the subsidiary reporting company.*

(3) *Two or more underwritten title companies - which are not subsidiaries of one another but are affiliated with one another because they are all subsidiaries of a parent holding company which is not a title insurance company, underwritten title company or controlled escrow company - must each submit a consolidated Report UTC03 for the experience of the reporting company and any subsidiary title insurance companies, underwritten title companies or controlled escrow companies.*

(4) *Report UTC03 must be submitted using the spreadsheet template provided by the Commissioner on the Department of Insurance web site:*
www.insurance.ca.gov.

(5) *Report UTC03 includes two sections - income / expenses and adjustments. In the adjustments section, reporting companies shall report the consolidation and GAAP conversion adjustments made to individual statutory accounting reports for the business entities engaged in the business of title insurance in California.*

(6) *Report UTC03 requests experience for the current reporting year and the prior reporting year. For example, the 2007 UTC03 report, submitted by April 30, 2008, contains assets and liabilities at year-end 2007 (the current reporting year) and at year-end 2006 (the prior reporting year).*

(7) *For most expense items, the reporting company may choose the allocation method to assign the portion of those countrywide expense amounts that are not identifiable with a specific state to California that best reflects the amount of the expense used to support the business of title insurance in California. The allocation of the following expense items is prescribed:*

(A) *Unallocated Title Loss Adjustment Expense:*

Allocate to California by the ratio of the sum of California-specific incurred title losses and incurred title allocated loss adjustment expense to the sum of countrywide incurred title losses and incurred title allocated loss adjustment expenses. Allocated loss adjustment expenses are claim settlement expenses that are solely associated with a specific title claim. Unallocated loss adjustment expenses are other claim settlement expenses which are not solely associated with a specific title claim.

(B) *Unallocated Escrow Loss Adjustment Expense:*

Allocate to California by the ratio of the sum of California-specific incurred escrow losses and incurred escrow allocated loss adjustment expense to the sum of countrywide incurred escrow losses and incurred escrow allocated loss adjustment expenses. Allocated loss adjustment expenses are claim settlement expenses that are solely associated with a specific escrow claim. Unallocated loss adjustment expenses are other claim settlement expenses which are not solely associated with a specific escrow claim.

(8) *Reporting companies shall maintain any worksheets used in preparing Report UTC03 for the five most recent reporting years.*

(9) *Report UTC03 includes some expense categories that may be pass-through items on a real estate transaction closing statement, where pass-through means that the amount for a particular item by a party to the transaction is the exact amount received by a service provider other than the reporting company. Reporting companies should not include pass-through items in reported income or expenses.*

(10) *UTC03 Data Fields for Section 1: Income and Expenses*

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
UTC03.A	Name of Reporting Entity	<i>Report the name of the underwritten title company. A separate report is required for each underwritten title company. A separate report is required for each controlled escrow company which is controlled by the underwritten title company and whose experience is not otherwise included in the UTC03 report of the underwritten title company. The California and Countrywide Balance Sheet for such a controlled escrow company reports should be completed using the UTC03report format.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC03.B</i>	<i>Line #</i>	<i>Report the line number from the table in section 3256.9(c)(11) to indicate the income or expense item being adjusted or consolidated.</i>
<i>UTC03.C</i>	<i>Line Description</i>	<i>Report the line description, corresponding to the line number in UTC03.B.</i>
<i>UTC03.D</i>	<i>California Current Year Total</i>	<i>Report the sum of columns UTC03.I and UTC03.P for this line. This is a calculated amount in the spreadsheet template.</i>
<i>UTC03.E</i>	<i>California Prior Year Total</i>	<i>Report the sum of columns UTC03.K and UTC03.S for this line. This is a calculated amount in the spreadsheet template.</i>
<i>UTC03.F</i>	<i>Elsewhere Current Year Total</i>	<i>Report the sum of UTC03.H less UTC03.D. This is a calculated amount in the spreadsheet template.</i>
<i>UTC03.G</i>	<i>Elsewhere Prior Year Total</i>	<i>Report the sum of UTC03.J less UTC03.E. This is a calculated amount in the spreadsheet template.</i>
<i>UTC03.H</i>	<i>Countrywide Current Year Total</i>	<i>Report the consolidated GAAP-basis countrywide total for the current year for the income or expense item in UTC03.D.</i>
<i>UTC03.I</i>	<i>Countrywide Prior Year Total</i>	<i>Report the consolidated GAAP-basis countrywide total for the prior year for the income or expense item in UTC03.D.</i>
<i>UTC03.J</i>	<i>California Identifiable Current Year</i>	<i>Report the amount of the income or expense item in UTC03.D that is identifiable with California-only business for the current year. Report only the amounts for items exclusively associated with California-only business. The current year is the most recent experience period.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC03.K</i>	<i>California Identifiable Prior Year</i>	<i>Report the amount of the income or expense item in UTC03.D that is identifiable with California-only business for the prior year. Report only the amounts for items exclusively associated with California-only business. The prior year is the most recent experience period prior to the current year.</i>
<i>UTC03.L</i>	<i>Elsewhere Identifiable Current Year</i>	<i>Report the amount of the income or expense item in UTC03.D that is identifiable with individual states other than California for the current year. Report only those amounts for items exclusively associated with individual states other than California.</i>
<i>UTC03.M</i>	<i>Elsewhere Identifiable Prior Year</i>	<i>Report the amount of the income or expense item in UTC03.D that is identifiable with individual states other than California for the prior. Report only those amounts for items exclusively associated with individual states other than California. The prior year is the most recent experience period prior to the current year.</i>
<i>UTC03.N</i>	<i>Countrywide Non-Identifiable Current Year</i>	<i>Report the amount UTC03.H less the sum of UTC03.J and UTC03.L. This is a calculated amount in the spreadsheet template.</i>
<i>UTC03.O</i>	<i>Basis for Allocation of Current Year Non-Identifiable</i>	<i>Report the basis for determining the share of the amount reported in UTC03.N associated with California business. Stated differently, report the method of allocating a portion of the amount in UTC03.N to California business. Examples include: Number of title policies closed Number of employees Number of claims Number of escrow orders opened</i>
<i>UTC03.P</i>	<i>California Allocation of Countrywide Non-Identifiable Current Year</i>	<i>Report the amount of item UTC03.N allocated to California business using the method described in UTC03.O for the current year.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC03.Q</i>	<i>Countrywide Non-Identifiable Prior Year</i>	<i>Report the amount UTC03.I less the sum of UTC03.K and UTC03.M. This is a calculated amount in the spreadsheet template.</i>
<i>UTC03.R</i>	<i>Basis for Allocation of Prior Year Non-Identifiable</i>	<i>Report the basis for determining the share of the amount reported in UTC03.Q associated with California business for the prior year. Stated differently, report the method of allocating a portion of the amount in UTC03.Q to California business for the prior year. Examples include: Number of title policies closed Number of employees Number of claims Number of escrow orders opened</i>
<i>UTC03.S</i>	<i>California Allocation of Countrywide Non-Identifiable Prior Year</i>	<i>Report the amount of item UTC02.Q allocated to California business using the method described in UTC02.R for the prior year.</i>

(11) *Data Rows for Section 1: Income and Expenses*

<i>Row / Line Number</i>	<i>Name of Data Line</i>	<i>Description and Instructions for Data Line</i>
<i>UTC03.01</i>	<i>Gross Written Title Premium</i>	<i>Report total gross title premium before remittances to underwritten title companies during the reporting period. Report direct business, meaning before adjustments for reinsurance. Include direct business, meaning business performed by the reporting company without the use of an underwritten title company. Report the entire gross premium and do not deduct any amounts incurred for work charges / premium splits or add any amounts received for work charges / premium splits. Report premium only for transaction in which the reporting company was the initial recipient of funds from the ultimate consumer. If a work charge / premium split is involved, only one reporting company should report the gross title premium.</i>

<i>Row / Line Number</i>	<i>Name of Data Line</i>	<i>Description and Instructions for Data Line</i>
<i>UTC03.02</i>	<i>Work Charges Incurred for Title</i>	<i>Pursuant to Insurance Code § 12412, an underwritten title company may divide fees or charges, for work and services actually performed, between underwritten title companies or between title insurance companies and underwritten title companies. A work charge or premium split refers to a payment from the reporting company to another underwritten title company or to a title insurer or a payment to the reporting company from another underwritten title company or a title insurer for work performed on title or escrow. Some companies refer to work charges as premium splits because the company collecting the title premium or escrow fee pays a portion of the premium or escrow fee to another company for services provided in connection with the title or escrow transaction. Work charges / premium splits refer only to payments between underwritten title companies or between underwritten title companies and title insurers. See the instructions for report UTC05 for additional explanation of work charges / premium splits. In Line UTC03.02, report only work charges incurred for title-related work during the reporting period.</i>
<i>UTC03.03</i>	<i>Work Charges Received for Title</i>	<i>In Line UTC03.03, report only work charges received for title-related work during the reporting period. See the instructions for Line UTC03.02 for an explanation of work charges / premium splits.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>UTC03.04</i>	<i>Escrow Fees</i>	<i>Report total fees for full escrow during the reporting period. Report sub-escrow in line UTC03.05. Report other service charges for escrow-related activity in line UTC03.08. Report the entire escrow fee and do not deduct any amounts incurred for work charges / fee splits or add any amounts received for work charges / fee splits. Report escrow fees only for transactions in which the reporting company was the initial recipient of funds from the ultimate consumer. If a work charge / fee split is involved, only one reporting company should report the escrow fee.</i>
<i>UTC03.05</i>	<i>Subescrow Fees</i>	<i>Subescrow refers to funds transfer for lenders in those situations where an entity other than the reporting company is performing other escrow activities. Subescrow typically occurs in Southern California when escrow is performed by independent escrow companies. Report only those revenues in Line UTC03.05 associated with a separate and identifiable charge for subescrow activities during the reporting period, whether those activities are called subescrow or something else, such as title payoff.</i>
<i>UTC03.06</i>	<i>Work Charges Incurred for Escrow</i>	<i>In Line UTC03.06, report only work charges incurred for escrow-related work during the reporting period. See the instructions for Line UTC03.02 for an explanation of work charges / premium splits.</i>
<i>UTC03.07</i>	<i>Work Charges Received for Escrow</i>	<i>In Line UTC03.07, report only work charges received for escrow-related work during the reporting period. See the instructions for Line UTC03.02 for an explanation of work charges / premium splits.</i>

<i>Row / Line Number</i>	<i>Name of Data Line</i>	<i>Description and Instructions for Data Line</i>
<i>UTC03.08</i>	<i>Other Service Charges</i>	<i>Report the amount of revenue from other service charges other than subescrow during the reporting period. Report subescrow on Line UTC03.05</i>
<i>UTC03.09</i>	<i>Revenue from Other Licensees</i>	<i>Report the amount of any revenue received from other licensees for services provided to those licensees, other than amounts received for work charges. Licensees are title insurance companies, underwritten title companies and controlled escrow companies licensed to conduct the business of title insurance in California. Include, for example, revenue received for title plant subscription fees, title search packages or production services. Report revenue from work charges in UTC03.03 and UTC03.07.</i>
<i>UTC03.10</i>	<i>Aggregate Write-Ins for Other Operating Revenues</i>	<i>This amount is carried from the detailed write-in table below the income statement. Report any other types and amounts of operating revenue not included in lines UTC03.01 through UTC03.09 during the reporting period.</i>
<i>UTC03.11</i>	<i>Total Operating Revenues</i>	<i>This amount is calculated and no entry is required in the spreadsheet template. This entry is the sum of Lines UTC03.1 through UTC03.10 during the reporting period.</i>
<i>UTC03.12</i>	<i>Title Premium Retained by or Remitted to Underwritten Title Companies.</i>	<i>Report the amount of title premium from line UTC03.01 that was retained by or remitted to underwritten title companies pursuant to underwriting agreements during the reporting period.</i>
<i>UTC03.13</i>	<i>Personnel: Salaries</i>	<i>Report the amount of salaries for employees during the reporting period. This amount is carried from Table UTC04 for the appropriate reporting period.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>UTC03.14</i>	<i>Personnel: Commission</i>	<i>Report the amount of commissions for employees during the reporting period. This amount is carried from Table UTC04 for the appropriate reporting period.</i>
<i>UTC03.15</i>	<i>Personnel: Bonus</i>	<i>Report the amount of bonuses for employees during the reporting period. This amount is carried from Table UTC04 for the appropriate reporting period.</i>
<i>UTC03.16</i>	<i>Personnel: Payroll Taxes</i>	<i>Report the amount of payroll taxes for employees during the reporting period. This amount is carried from Table UTC04 for the appropriate reporting period.</i>
<i>UTC03.17</i>	<i>Personnel: Employee Benefits</i>	<i>Report the amount of employee benefits for employees during the reporting period. Benefits include pension contributions, health insurance, life insurance, workers' compensation insurance, food for employees, gatherings and entertainment for employees and employee training. Report payroll taxes in Line UTC03.16. Report expense allowances and reimbursements for sales personnel in UTC03.57. This amount is carried from Table UTC04 for the appropriate reporting period.</i>
<i>UTC03.18</i>	<i>Personnel: Temporary Agency Expenses</i>	<i>Report the amount for temporary agencies for personnel during the reporting period. This amount is carried from Table UTC04 for the appropriate reporting period.</i>
<i>UTC03.19</i>	<i>Personnel: Contract Workers / Consultants</i>	<i>Report the amount for contract workers and consultants during the reporting period. Do not include amounts for legal or accounting services. Report these amounts in lines UTC03.60 and UTC03.58, respectively. This amount is carried from Table UTC04 for the appropriate reporting period.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
UTC03.20	<i>Personnel: Aggregate Write-Ins for Personnel Expenses</i>	<i>This amount is carried from the detailed write-ins for personnel expenses and no entry in the spreadsheet template is required for this line. Report any other types and amounts of personnel expenses not included in lines UTC03.13 through UTC03.19 during the reporting period in the detailed write-in table.</i>
UTC03.21	<i>Total Personnel Expenses</i>	<i>This amount is calculated and no entry is required in the spreadsheet template. This entry is the sum of Lines UTC03.13 through UTC03.20 during the reporting period.</i>
UTC03.22	<i>Title Losses Paid</i>	<i>Report the amount of title losses paid, net of recoveries from subrogation or errors and omissions insurance policies, during the reporting period.</i>
UTC03.23	<i>RESERVED</i>	<i>Leave Blank</i>
UTC03.24	<i>RESERVED</i>	<i>Leave Blank</i>
UTC03.25	<i>Change in Title Loss Reserves</i>	<i>Report the change in title reserves during the reporting period, including case reserves and incurred but not reported (IBNR) reserves.</i>
UTC03.26	<i>Title Loss Adjustment Expenses</i>	<i>Report the amount incurred for title loss adjustment expense, net of recoveries from subrogation or errors and omissions insurance policies, during the reporting period.</i>
UTC03.27	<i>Total Title Loss and Loss Settlement Expenses</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines UTC03.22 through UTC03.26.</i>
UTC03.28	<i>Escrow Losses Paid</i>	<i>Report the amount of escrow losses paid, net of recoveries from subrogation or errors and omissions insurance policies, during the reporting period.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
UTC03.29	<i>Change in Escrow Loss Reserves</i>	<i>Report the change in escrow loss reserves during the reporting period.</i>
UTC03.30	<i>Escrow Loss Adjustment Expenses</i>	<i>Report the amount incurred for escrow loss adjustment expenses, net of recoveries from subrogation or errors and omissions insurance policies, during the reporting period.</i>
UTC03.31	<i>Total Escrow Loss and Loss Settlement Expenses</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of lines UTC03.28 through UTC03.31.</i>
UTC03.32	<i>Title Plant Maintenance for Owned Title Plants</i>	<i>Report the amount for maintaining owned title plants during the reporting period. Do not include subscription fees or rent for non-owned plants, which is reported in Line UTC03.33. Do not include amounts for customer service information, which is reported in Line UTC03.50. Do not include amounts received from other licensees for title plant access as an offset to amounts incurred by the reporting company. Report any such amounts in UTC03.09.</i>
UTC03.33	<i>Subscription Fees, Rent and Charges for Non-Owned Title Plants</i>	<i>Report the amount for subscription fees, rent and other charges for non-owned title plants during the reporting period. Do not include amounts for customer service information, which is reported in Line UTC03.50. Include only those amounts spent for title search, examination and underwriting activities. Do not include amounts received from other licensees for title plant access and use as an offset to amounts incurred by the reporting company. Report any such amounts in UTC03.09.</i>
UTC03.34	<i>Title Search / Examination and Underwriting</i>	<i>Report any non-personnel expenses associated with title search, examination and underwriting not otherwise reported in UTC03.32 and UTC03.33. Include amounts for third-party title search and examination reports.</i>

<i>Row / Line Number</i>	<i>Name of Data Line</i>	<i>Description and Instructions for Data Line</i>
<i>UTC03.35</i>	<i>Preliminary Report Production and Issuance</i>	<i>Report any non-personnel expenses associated with the production and issuance of preliminary reports, other than expenses for title plant and search, examination and underwriting.</i>
<i>UTC03.36</i>	<i>Title Policy Issuance and Maintenance</i>	<i>Report any non-personnel expenses associated with the issuance of title policy, including creation of the physical title insurance policy and maintenance of information regarding the title insurance policy. Do not include expenses reported in lines UTC03.32 through UTC03.35.</i>
<i>UTC03.37</i>	<i>Funds Transfer</i>	<i>Report any non-personnel expenses associated with the transfer of funds from and to parties to the real estate transaction.</i>
<i>UTC03.38</i>	<i>Notary Fees</i>	<i>Report the amount for notary fees during the reporting period. Do not report any amount passed through without mark-up as a separate charge to the consumer.</i>
<i>UTC03.39</i>	<i>Conveyancing Fees</i>	<i>Report the amount for conveyancing fees during the reporting period. Do not report any amount passed through without mark-up as a separate charge to the consumer.</i>
<i>UTC03.40</i>	<i>Inspection Fees</i>	<i>Report the amount for inspection fees during the reporting period. Do not report any amount passed through without mark-up as a separate charge to the consumer.</i>
<i>UTC03.41</i>	<i>Tax Service Contract Fees</i>	<i>Report the amount for tax service contract fees during the reporting period. Do not report any amount passed through without mark-up as a separate charge to the consumer.</i>

<i>Row / Line Number</i>	<i>Name of Data Line</i>	<i>Description and Instructions for Data Line</i>
<i>UTC03.42</i>	<i>Recording Fees and Costs</i>	<i>Report the amount for non-personnel recording fee expenses. Include amounts for third party recording services during the reporting period. Pass-through items – fees collected from and paid for by the consumer without mark-up – should not be included as expenses or revenues.</i>
<i>UTC03.43</i>	<i>Messenger, Overnight and Delivery Service – Preliminary Reports</i>	<i>Report the amount for messenger, overnight and delivery service for preliminary reports and preliminary report-related materials during the reporting period. Do not include postage and freight costs, which are reported in Line UTC03.57.</i>
<i>UTC03.44</i>	<i>Messenger, Overnight and Delivery Service – Title Policies</i>	<i>Report the amount for messenger, overnight and delivery service for title policies during the reporting period. Do not include postage and freight costs, which are reported in Line UTC03.57.</i>
<i>UTC03.45</i>	<i>Messenger, Overnight and Delivery Service – Escrow</i>	<i>Report the amount for messenger, overnight and delivery service for escrow and escrow-related materials during the reporting period. Do not include postage and freight costs, which are reported in Line UTC03.57.</i>
<i>UTC03.46</i>	<i>Messenger, Overnight and Delivery Service -- Other</i>	<i>Report the amount for messenger, overnight and delivery service other than reported in UTC03.43, UTC03.44 and UTC03.45 and excluding any messenger and delivery expenses associated with sales, marketing or customer service, which are reported in Lines UTC03.48, UTC03.49 and UTC03.50, respectively. Do not include postage and freight costs, which are reported in Line UTC03.57.</i>

<i>Row / Line Number</i>	<i>Name of Data Line</i>	<i>Description and Instructions for Data Line</i>
<i>UTC03.47</i>	<i>Sales Expenses: Reimbursements / Allowances for Sales Personnel</i>	<i>Report the amount reimbursed to sales personnel for sales and customer service expenses during the reporting period. Include allowances and reimbursements for travel expenses, such as allowance for auto or entertainment.</i>
<i>UTC03.48</i>	<i>Sales Expenses: Other</i>	<i>Report the amount of sales expenses other than reported in Lines UTC03.47 and UTC03.49 during the reporting period. Include sales-related travel expenses not otherwise reported in Line UTC03.47. Include amounts incurred for company-provided autos for sales personnel.</i>
<i>UTC03.49</i>	<i>Business Promotion, Advertising and Public Relations</i>	<i>Report the amount of expenses for business promotion, advertising, and public relations during the reporting period. Do not include amounts otherwise reported in Lines UTC03.47 and UTC03.48.</i>
<i>UTC03.50</i>	<i>Customer Service</i>	<i>Report the amount of expenses for customer service, including, for example and not limited to, amounts incurred for information provided to real estate agent and brokers unrelated to specific title or escrow transactions during the reporting period.</i>
<i>UTC03.51</i>	<i>Travel and Travel Items Other Than Sales, Marketing and Customer Service</i>	<i>Report the amount of expenses for travel and travel items, other than sales, marketing and customer service-related travel included in Lines UTC03.47 through UTC03.50, respectively, during the reporting period.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
UTC03.52	<i>Facility Rent, Depreciation and Amortization</i>	<i>Report the amount of expenses for building rent for facilities used for the business of title insurance during the reporting period, net of any rental income received for those facilities. Report rent incurred for equipment in Line UTC03.53. Report rental income from investment properties – facilities not used for the business of title insurance – as investment income in Line UTC03.78. Include depreciation and amortization for facilities used in the business of title insurance.</i>
UTC03.53	<i>Equipment Rent</i>	<i>Report the amount of expenses for renting or leasing equipment.</i>
UTC03.54	<i>Data Processing Services and Software</i>	<i>Report the amount of expenses for data processing services and software. Do not include any expenses for software related to title plant access or subscription, which is reported in UTC03.33. Do not include expenses for software or data processing for sales, marketing or customer service, which are reported in Lines UTC03.48, UTC03.49 and UTC03.50, respectively.</i>
UTC03.55	<i>Printing/Stationery/Supplies</i>	<i>Report the amount of expenses for printing, stationery and supplies during the reporting period excluding any printing, stationery or supplies associated with sales, marketing or customer service, which are reported in Lines UTC03.48, UTC03.49 and UTC03.50, respectively.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>UTC03.56</i>	<i>Telephone / Utilities</i>	<i>Report the amount for telephone and utilities during the reporting period, other than telephone expense reimbursements to sales personnel, which must be reported in Line UTC03.47 and other than telephone or utilities associated with sales, marketing or customer service, which are reported in Lines UTC03.48, UTC03.49 and UTC03.50, respectively.</i>
<i>UTC03.57</i>	<i>Postage and Freight</i>	<i>Report the amount of expense for postage and freight during the reporting period excluding any postage and freight associated with sales, marketing or customer service, which are reported in Lines UTC03.48, UTC03.49 and UTC03.50, respectively.</i>
<i>UTC03.58</i>	<i>Accounting /Auditor Fees</i>	<i>Report the amount of expenses for outside auditors and accounting services during the reporting period.</i>
<i>UTC03.59</i>	<i>Director Fees</i>	<i>Report the amount for fees to members of the company's Board of Directors during the reporting period.</i>
<i>UTC03.60</i>	<i>Legal Fees</i>	<i>Report the amount for outside legal services, other than claim-related legal services during the reporting period. Report claim-related legal services in Lines UTC03.26 and UTC03.30.</i>
<i>UTC03.61</i>	<i>Management Fees</i>	<i>Report the amount for management services during the reporting period. Do not include amounts paid to individuals. Report amounts to individuals in Line UTC03.19.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
UTC03.62	<i>Licenses, Fees, Taxes Other Than Income and Premium</i>	<i>Report the amount for licenses, regulatory fees and taxes during the reporting period. Do not include state or federal income taxes, which are reported in Lines UTC03.85 and UTC03.86, respectively. Do not include premium taxes which are reported in Line UTC03.63. Include property taxes only for real estate and buildings employed for the business of title insurance.</i>
UTC03.63	<i>Premium Taxes</i>	<i>Report the amount of premium taxes during the reporting period.</i>
UTC03.64	<i>Depreciation / Amortization Other Than Real Estate and Buildings</i>	<i>Report the amount of expenses for depreciation and amortization during the reporting period other than depreciation and amortization of real estate and buildings.</i>
UTC03.65	<i>Bad Debt Expense</i>	<i>Report the amount of expenses for collecting overdue debt or for writing off bad debt during the reporting period.</i>
UTC03.66	<i>Insurance</i>	<i>Report the amount for all types of insurance during the reporting period, other than insurance provided on behalf of employees, which is reported in Line UTC03.17.</i>
UTC03.67	<i>Lobbying</i>	<i>Report the amount for lobbying activities during the reporting period, including amounts paid to trade associations for lobbying activities. Report amounts to trade associations for activities other than lobbying in Line UTC03.69.</i>
UTC03.68	<i>Donations</i>	<i>Report the amount of donations during the reporting period.</i>
UTC03.69	<i>Trade Associations and Advisory Organizations</i>	<i>Report the amount for trade associations and advisory organizations during the reporting period.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>UTC03.70</i>	<i>Dues / Subscriptions Other than Trade and Advisory Organizations</i>	<i>Report the amount for dues and subscriptions other than dues and subscriptions to trade associations and advisory organizations during the reporting period</i>
<i>UTC03.71</i>	<i>Fines or Penalties</i>	<i>Report the amount for fines, penalties and restitution to regulatory agencies, courts or to consumers pursuant to regulatory or judicial decisions or settlements during the reporting period.</i>
<i>UTC03.72</i>	<i>Aggregate Write-Ins for Other Expenses</i>	<i>This amount is carried from the detailed write-in table below the income statement and no entry in the spreadsheet template is required for this line. Report any other types and amounts of operating expenses, not included in Lines UTC03.22 through UTC03.71 during the reporting period in the detailed write-in table.</i>
<i>UTC03.73</i>	<i>Total Operating Expenses</i>	<i>This amount is calculated and no entry is required. This entry is the sum of lines UTC03.22 through UTC03.72.</i>
<i>UTC03.74</i>	<i>Net Operating Income</i>	<i>This amount is calculated and no entry is required. This entry is Line UTC03.11 less the sum of Lines TI.03.12, UTC03.21 and UTC03.73.</i>
<i>UTC03.75</i>	<i>Interest Paid</i>	<i>Report amount for interest on loans during the reporting period.</i>
<i>UTC03.76</i>	<i>Investment Income – Tax Exempt</i>	<i>Report tax-exempt investment income before investment expenses during the reporting period.</i>
<i>UTC03.77</i>	<i>Investment Income – Dividends</i>	<i>Report dividend investment income before investment expenses during the reporting period.</i>
<i>UTC03.78</i>	<i>Investment Income – Other</i>	<i>Report investment income other than tax-exempt and dividend investment income before investment expenses during the reporting period. Include rental income from real estate facilities not used for the business of title insurance.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
UTC03.79	<i>Investment Expenses</i>	<i>Report expenses associated with investment income items. Report this entry as a negative for amounts incurred.</i>
UTC03.80	<i>Net Investment Income</i>	<i>This is a calculated amount and no entry in the spreadsheet template is required. This entry is the sum of lines UTC03.76 through UTC03.78 less line UTC03.79.</i>
UTC03.81	<i>Realized Capital Gains</i>	<i>Report realized capital gains during the reporting period.</i>
UTC03.82	<i>Unrealized Capital Gains</i>	<i>Report unrealized capital gains during the reporting period.</i>
UTC03.83	<i>Aggregate Write-Ins for Other Operating Expenses</i>	<i>This amount is carried from the detailed write-ins for other operating expenses.</i>
UTC03.84	<i>Net Income Before Income Taxes</i>	<i>This amount is calculated and no entry is required in the spreadsheet template. This entry is Line UTC03.74 less Line UTC03.75 plus the sum of Lines UTC03.80 through UTC03.83.</i>
UTC03.85	<i>Provision for State Income Taxes</i>	<i>Report the amount of the provision for state income taxes during the reporting period.</i>
UTC03.86	<i>Provision for Federal Income Taxes</i>	<i>Report the amount of the provision for federal income taxes during the reporting period.</i>
UTC03.87	<i>Net Income After Taxes</i>	<i>This amount is calculated and no entry is required in the spreadsheet template. This entry is Line UTC03.84 less Lines UTC03.85 and UTC03.86.</i>

(12) *Data Fields for Section 2: Adjustments for Consolidation and GAAP Conversion*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC03.AA</i>	<i>Name of Reporting Company</i>	<i>Report the name of the reporting company. In a separate document accompanying the submission of this report, provide a list of the entities whose experience is consolidated into Report UTC03</i>
<i>UTC03.AB</i>	<i>Line #</i>	<i>Report the line number from the table in section 2356.9(c)(11) to indicate the income or expense item being adjusted or consolidated.</i>
<i>UTC03.AC</i>	<i>Line Description</i>	<i>Report one of the following codes: 1. Consolidation Adjustment 2. GAAP Conversion Adjustment</i>
<i>UTC03.AD</i>	<i>Reporting Period</i>	<i>Report one of the following codes: 1. Current Year 2. Prior Year</i>
<i>UTC03.AE</i>	<i>Parent Company</i>	<i>If entry in UTC03.AC is 1 (consolidation adjustment), report the complete name of the parent company.</i>
<i>UTC03.AF</i>	<i>Subsidiary Company</i>	<i>If entry in UTC03.AC is 1 (consolidation adjustment), report the complete name of the subsidiary company.</i>
<i>UTC03.AG</i>	<i>Amount of Adjustment</i>	<i>Report the amount of the consolidation or GAAP conversion adjustment.</i>
<i>UTC03.AH</i>	<i>Description of Adjustment</i>	<i>Provide a description of the consolidation or GAAP conversion adjustment in sufficient detail to enable a person familiar with SAP and GAAP accounting to understand the exact adjustment made. The spreadsheet template can accept detailed explanations.</i>

(d) **UTC04 Detailed California Personnel Expense Report.** Report UTC04 is a report of personnel count and expenses on a consolidated Generally Accepted Accounting Principles (GAAP) basis. A single Report UTC04 should be submitted for an underwritten title company and any of its subsidiaries which are engaged in the business of title insurance, including:

- title insurance companies;
- underwritten title companies; and
- controlled escrow companies.

(1) *An underwritten title company licensed in California that is a subsidiary of another underwritten title company or an underwritten title company licensed in California should not submit Report UTC04, but have its experience included in the report of the parent. Stated differently, there should be only one submission for a parent underwritten title company and all its subsidiaries engaged in the business of title insurance. Any underwritten title company which is not submitting a Report UTC04 because that company's experience has been consolidated into a parent company's submission should simply indicate on its (the subsidiary's) individual submission transmittal form the name of the parent company which has submitted a Report UTC04 which includes the experience of the subsidiary reporting company.*

(2) *Two or more title insurance companies - which are not subsidiaries of one another but are affiliated with one another because they are all subsidiaries of a parent holding company which is not a title insurance company, underwritten title company or controlled escrow company - must each submit a consolidated Report UTC04 for the experience of the reporting company and any subsidiary title insurance companies, underwritten title companies or controlled escrow companies.*

(3) *For personnel who work on California business and business elsewhere, report only that portion of the workers' time and personnel expenses associated with California-only business. Retain worksheets of worker time and expense allocations to California and to activity codes for the five most recent reporting years.*

(4) *Report UTC04 must be submitted using the spreadsheet template provided by the Commissioner on the Department of Insurance web site: www.insurance.ca.gov.*

(5) *This report can be visualized as a table with each row reflecting a record of personnel expenses for a specific activity. The activity categories to be used in this report are shown in the table below. The columns of the table are data fields, described further below, which provide detail on the personnel expenses for a specific activity.*

(6) *Activity Codes*

Assign personnel expenses to the activities described in the table. Assign a specific personnel expense only once to a single activity code.

Row / Line Number:/ Activity Codes	Name of Data Line	Description of Data Line
<i>UTC04.01</i>	<i>Title Search/Examination</i>	<i>This activity includes acquisition of title and related documents from a title plant or other information source, examination and analysis of the documents and underwriting. Include administrative and support staff associated with title search, examination and underwriting activities.</i>
<i>UTC04.02</i>	<i>Title Plant Maintenance</i>	<i>This activity includes physical maintenance of a back plant and physical maintenance and updates to the current plant. This activity includes maintenance of databases and information for title and title-related documents. Include administrative and support staff associated with title plant maintenance activities.</i>
<i>UTC04.03</i>	<i>Preliminary Report Issuance</i>	<i>This activity includes preparation and issuance of the preliminary report. This activity does not include title search, examination or underwriting, but is limited to preparation and issuance of the preliminary report after the title search, examination and underwriting have been completed. Include administrative and support staff associated with preliminary report issuance activities.</i>
<i>UTC04.04</i>	<i>Title Policy Issuance and Maintenance</i>	<i>This activity includes preparation and issuance of the title policy and related documents and maintenance of customer information. This activity does not include title search, examination or underwriting, but is limited to preparation and issuance of the title policy after the title search, examination and underwriting have been completed. Include administrative and support staff associated with title policy issuance and maintenance activities.</i>
<i>UTC04.05</i>	<i>Title Claims</i>	<i>This activity includes intake, processing and settling of title insurance claims. Include administrative and support staff title claims activities.</i>

Row / Line Number:/ Activity Codes	Name of Data Line	Description of Data Line
<i>UTC04.06</i>	<i>General Management</i>	<i>This activity includes general management of the underwritten title company. Do not include managers of activities specifically identified in this list. Those managers should be included with the functional activity they manage. For example, include a general counsel in this category, but do not include a lawyer dedicated to settling claims. Include human resources in the category. Include general information technology in this category - computer and network installation, maintenance and support not otherwise assigned to a separate functional category. Include any personnel devoted to developing and maintaining hardware and software for electronic access to title plant information in the Title Plant Maintenance category.</i>
<i>UTC04.07</i>	<i>Customer Support</i>	<i>This activity includes answering questions and providing information to the underwritten title company's customers or members of the public, outside of formal title search and examination and claims settlement activities. Include administrative and support staff associated with customer service activities.</i>
<i>UTC04.08</i>	<i>Sales</i>	<i>This activity includes sales, business promotion and solicitation. Include administrative and support staff associated with sales activities.</i>

Row / Line Number:/ Activity Codes	Name of Data Line	Description of Data Line
<i>UTC04.09</i>	<i>Escrow Document Production and Execution</i>	<i>This activity code includes the main activities related to escrow including preparation and execution of instruction and documents. Include administrative and support staff associated with escrow document production activities. Include personnel engaged in all escrow activities under this code other than: escrow-related general management (UTC04.06) escrow-related customer service (UTC04.07) escrow-related sales (UTC04.08) escrow claims (UTC04.10) recording of documents (UTC04.11) courier and delivery - escrow (UTC04.14) funds transfer (UTC04.16)</i>
<i>UTC04.10</i>	<i>Escrow Claims Settlement</i>	<i>This activity includes processing and settling escrow claims. Include administrative and support staff associated with escrow claims settlement activities.</i>
<i>UTC04.11</i>	<i>Recording of Documents</i>	<i>This activity includes the recording of documents as required by the transaction. Include administrative and support staff associated with recording of document activities.</i>
<i>UTC04.12</i>	<i>Courier and Delivery - Preliminary Reports</i>	<i>This activity includes courier and delivery for preliminary reports and preliminary report-related materials. Include administrative and support staff associated with preliminary report-related courier and delivery activities.</i>
<i>UTC04.13</i>	<i>Courier and Delivery - Title Policies</i>	<i>This activity includes courier and delivery for title policies. Include administrative and support staff associated with title policy-related courier and delivery activities.</i>
<i>UTC04.14</i>	<i>Courier and Delivery - Escrow</i>	<i>This activity includes courier and delivery for escrow and escrow-related materials. Include administrative and support staff associated with escrow-related courier and delivery activities.</i>

Row / Line Number:/ Activity Codes	Name of Data Line	Description of Data Line
<i>UTC04.15</i>	<i>Courier and Delivery - Other</i>	<i>This activity includes any courier and delivery personnel not included in UTC04.12, UTC04.13 or UTC04.14. Include administrative and support staff associated with other courier and delivery activities.</i>
<i>UTC04.16</i>	<i>Funds Transfer</i>	<i>This activity includes activities specifically related to funds transfer. Include administrative and support staff associated with funds transfer activities.</i>
<i>UTC04.17</i>	<i>Other Services</i>	<i>This activity includes any service for which a charge is made and which is not a title policy, preliminary report, full escrow or subescrow. Include administrative and support staff associated with other services activities.</i>
<i>UTC04.18</i>	<i>Other</i>	<i>If none of the above categories can be used, use this code and explain the activity. If there are two or more types of “Other” activities, use codes 18, 19 and 20 as necessary.</i>

(7) *Include all employees, temporary/contract workers and consultants in the following reporting format. If a worker is engaged in two or more of the categories listed, please estimate the percentage of the worker’s time in each of the categories and allocate the worker’s personnel costs on the basis of the time percentages. Please assign administrative and other support workers to the category or categories for which the workers provide the support.*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC04.A</i>	<i>Name of Title Insurer</i>	<i>Report the name of the underwritten title company whose experience is being reported. A separate report is required for each underwritten title company. A separate report is required for each controlled escrow company which is controlled by the underwritten title company and whose experience is not otherwise included in the UTC04 report of the underwritten title company. The Detailed California Personnel Expense Report for such a controlled escrow company reports should be completed using the UTC04 report format.</i>
<i>UTC04.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>
<i>UTC04.C</i>	<i>Activity Category</i>	<i>These codes for activity categories are already entered in the spreadsheet template.</i>
<i>UTC04.D</i>	<i>Description of Activity Category</i>	<i>If UTC04.C is a code for "Other," provide a name that describes the additional activity category. For activity codes UTC04.01 through UTC04.14, the description is already entered into the spreadsheet template.</i>
<i>UTC04.E</i>	<i>Total Full-Time Equivalent Workers</i>	<i>Report the total number of full-time equivalent employees, temporary/contract workers and consultants for this category during the reporting period. An employee who is engaged in each of two activity categories for 50% of her time would be a 0.5 full-time equivalent in each activity category. An employee who worked in one activity for only three months of the year would be a 0.25 full-time equivalent.</i>
<i>UTC04.F</i>	<i>Salary</i>	<i>Report the aggregate salary incurred for this activity during the reporting period. If a worker engaged in more than one activity, calculate the amount for that individual worker by multiplying the total salary incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in UTC04.E.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC04.G</i>	<i>Payroll Taxes</i>	<i>Report the aggregate payroll taxes incurred for this activity during the reporting period. If a worker engaged in more than one activity, calculate the amount for that individual worker by multiplying the total salary incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in UTC04.E.</i>
<i>UTC04.H</i>	<i>Commission</i>	<i>Report the aggregate commission incurred for this activity during the reporting period. If a worker engaged in more than one activity, calculate the amount for that individual worker by multiplying the total commission incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in UTC04.E.</i>
<i>UTC04.I</i>	<i>Bonus</i>	<i>Report the aggregate bonuses incurred for this activity during the reporting period. If a worker engaged in more than one activity, calculate the amount for individual workers by multiplying the total bonus incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in UTC04.E. Include in the bonus category any amounts incurred as dividends to owners who are also employees of, or independent contractors to, the company.</i>
<i>UTC04.J</i>	<i>Employee Relations and Welfare</i>	<i>Report the aggregate benefits incurred to workers for this activity during the reporting period. Include pension contributions, health insurance, life insurance, employee training and education, food for employees and gatherings and entertainment for employees. Do not include expense allowances and reimbursements for sales personnel, which are reported in UTC03. If a worker was engaged in more than one activity, calculate the amount for individual workers by multiplying the total benefits incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in UTC04.E.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC04.K</i>	<i>Temporary Agency Workers</i>	<i>Report the aggregate amount paid to temporary worker agencies for personnel for this activity during the reporting period. If a worker was engaged in more than one activity, calculate the amount for individual workers by multiplying the total benefits incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in UTC04.E.</i>
<i>UTC04.L</i>	<i>Consultants / Contract Workers</i>	<i>Report the aggregate benefits incurred to workers for this activity during the reporting period. Do not include amounts paid for legal or accounting services, which are reported in UTC03.60 and UTC03.58, respectively. If a worker was engaged in more than one activity, calculate the amount for individual workers by multiplying the total benefits incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in UTC04.E.</i>
<i>UTC04.M</i>	<i>Total Personnel Costs</i>	<i>Report the row sum for columns UTC04. Carry these totals to the personnel expense lines in Report UTC03.</i>

(e) *UTC05 Detailed Escrow Report. Each underwritten title company shall submit this report of escrow activity performed by the underwritten title company during the reporting period. Each underwritten title company shall also submit a report UTC05 for each controlled escrow company controlled by the underwritten title company and whose experience is not otherwise included in the report UTC05 of the underwritten title company.*

(1) *Report only full escrow transactions. Do not report subescrow or escrow-related other services in Report UTC05.*

(2) *If the reporting company provides different types of full escrow service - for example, a basic full escrow and an enhanced full escrow with some additional services included - report the escrow in Report UTC05 as the basic escrow plus a surcharge. Using our example, the surcharge would be the increment in cost above the basic full escrow service and the surcharge name would be “enhanced full escrow package.” In addition, report the different types of full escrow services as surcharges in Report UTC11.*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC05.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the underwritten title company whose experience is being reported. A separate report is required for each underwritten title company. A separate report is required for each controlled escrow company which is controlled by the underwritten title company and whose experience is not otherwise included in the UTC05 report of the underwritten title company. The Detailed Escrow Report for such a controlled escrow company reports should be completed using the UTC05 report format.</i>
<i>UTC05.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>
<i>UTC05.C</i>	<i>Internal Transaction #</i>	<i>Report the internal transaction # from UTC01.C for which the escrow activity is associated.</i>
<i>UTC05.D</i>	<i>Number of Parties</i>	<i>Report the number of parties involved in the escrow.</i>
<i>UTC05.E</i>	<i>Amount of Escrow</i>	<i>Report the total amount of the escrow. This is the value used to determine the escrow charge.</i>
<i>UTC05.F</i>	<i>Basic Escrow Charge</i>	<i>Report the basic escrow charge to the nearest dollar without commas, periods or dollar signs. The basic escrow charge is the escrow charge before any discounts or surcharges</i>
<i>UTC05.G</i>	<i>Discount / Surcharge 1</i>	<i>If a discount or surcharge was applied, report the code from Report UTC11 for the discount or surcharge applied.</i>
<i>UTC05.H</i>	<i>Discount / Surcharge 2</i>	<i>If more than one discount or surcharge was applied, report the code from Report UTC11 of the second discount or surcharge applied.</i>
<i>UTC05.I</i>	<i>Discount / Surcharge 3</i>	<i>If more than two discounts or surcharges were applied, report the code from Report UTC11 of the third discount or surcharge applied.</i>
<i>UTC05.J</i>	<i>Discount / Surcharge 4</i>	<i>If more than three discounts or surcharges were applied, report the code from Report UTC11 of the fourth discount or surcharge applied.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC05.K</i>	<i>Discount / Surcharge 5</i>	<i>If more than four discounts or surcharges were applied, report the code from Report UTC11 of the fifth discount or surcharge applied.</i>
<i>UTC05.L</i>	<i>Total Escrow Charge</i>	<i>Report the total escrow charge after all discounts and surcharges.</i>

(f) **UTC06** *Report of Work Charges / Premium Splits Activity.* Each underwritten title company shall submit this report of work charges / premium splits for title, escrow and other services activity by the underwritten title company during the reporting period. Each underwritten title company shall also submit a report UTC06 for each controlled escrow company controlled by the underwritten title company and whose experience is not otherwise included in the report UTC05 of the underwritten title company.

(1) Pursuant to Insurance Code Section 12412, an underwritten title company may divide fees or charges, for work and services actually performed, between title insurance companies or between title insurance companies and underwritten title companies. A work charge or premium split refers to a payment from the reporting company to another underwritten title company or to a title insurer or a payment to the reporting company from another underwritten title company or underwritten title company that represents a split of the premium for division of work. Some companies refer to work charges as premium splits because the company collecting the title premium or escrow fee pays a portion of the premium or escrow fee to another company for services provided in connection with the title or escrow transaction. Work charges / premium splits refer only to payments between title insurance companies, between underwritten title companies or between underwritten title companies and title insurers and are further limited to transactions that reflect a split of the title premium or escrow charge. See the instructions for UTC07 for discussion of fees paid to or received from other title insurance companies, underwritten title companies or controlled escrow companies for services received or provided and how these types of fees differ from work charges/ premium splits.

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC06.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the underwritten title company whose experience is being reported. A separate report is required for each underwritten title company. A separate report is required for each controlled escrow company which is controlled by the underwritten title company and whose experience is not otherwise included in the UTC06 report of the underwritten title company. The Report of Work Charges / Premium Splits Activity for such a controlled escrow company reports should be completed using the UTC05 report format.</i>
<i>UTC06.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>
<i>UTC06.C</i>	<i>Internal Transaction #</i>	<i>Report the internal transaction # from UTC01.C for which the work charge information is associated.</i>
<i>UTC06.D</i>	<i>Work Charge Paid or Received</i>	<i>Report one of the following codes:</i> <ol style="list-style-type: none"> <i>1. Work charge PAID for title services only.</i> <i>2. Work charge PAID for escrow services only.</i> <i>3. Work charge PAID for title and escrow services.</i> <i>4. Work charge RECEIVED for title services only.</i> <i>5. Work charge RECEIVED for escrow services only.</i> <i>6. Work charge RECEIVED for title and escrow services.</i> <i>7. Work charge PAID and RECEIVED for title services only.</i> <i>8. Work charge PAID and RECEIVED for escrow services only.</i> <i>9. Work charge PAID and RECEIVED for title and escrow services.</i>
<i>UTC06.E</i>	<i>Description of Title Services</i>	<i>Describe the specific title services provided in exchange for the work charge / premium split.</i>
<i>UTC06.F</i>	<i>Description of Escrow Services</i>	<i>Describe the specific escrow services provided in exchange for the work charge / premium split.</i>

(g) *UTC07 Report of Amounts Received from and Paid to Other Licensees and Affiliates.* Each underwritten title company shall submit this report of amounts received from and paid to other licensees and affiliated companies for title, escrow and other services activity by the underwritten title company during the reporting period. Each underwritten title company shall submit a report UTC07 for each controlled escrow company controlled by the underwritten title company and whose experience is not otherwise included in the report UTC07 of the underwritten title company.

(1) *This report is a description of activities, other than work charge / premium split activities, for which the reporting company received a payment for providing a service to another underwritten title company, underwritten title company or controlled escrow company or made a payment to another underwritten title company, underwritten title company or controlled escrow company for a service provided by the other entity. This report also includes payments to or received from affiliates, even if the affiliate is not a title insurance company, underwritten title company or controlled escrow company licensed to do business in California.*

(2) *Although work charge / premium split activities are a form of service provided by one licensee to another for a payment, work charge / premium split activity is not included in Report UTC07. The distinction between work charges / premium split and the payments reported in this table is that work charges / premium split represent a division of premium or charges for a division of work on a specific title or escrow transaction while the activities in this report represent activities for which payment is not tied to the revenue of a specific transaction. Stated differently, this report is a description of expenses paid or revenues received by the reporting company which are not associated with a specific title or escrow order. For the company receiving the service, the activity reflects an expense item. In contrast, a work charge / premium split reflects a reduction of premium, or revenue, for the service received.*

(3) *There should be a separate record for each type of service provided or received and for each entity to whom the service was provided or from whom the service was received. For example, if the reporting company provided the same service to two underwritten title companies, there should be two records for that activity -- one for each company to whom the service was provided.*

(4) *This report can be visualized as a table with each row or record as a summary of information about a specific type of other service and with each column a different data field. The instructions below explain the entries in each data field or column.*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC07.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the underwritten title company whose experience is being reported. A separate report is required for each underwritten title company. A separate report is required for each controlled escrow company which is controlled by the underwritten title company and whose experience is not otherwise included in the UTC07 report of the underwritten title company. The Report of Amounts Received from and Paid to Other Licensees for such a controlled escrow company reports should be completed using the UTC07 report format.</i>
<i>UTC07.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>
<i>UTC07.C</i>	<i>Name of Entity Paid or from Which Payment Was Received</i>	<i>Report the name of the underwritten title company, underwritten title company or controlled escrow company to which a payment was made for services provided by that entity or from whom a payment was received for services provided to that entity. There should be a separate record for each type of service provided or received and for each entity to whom the service was provided or from whom the service was received. For example, if the reporting company provided the same service to two underwritten title companies, there should be two records for that activity -- one for each company to whom the service was provided. Do not include work charges / premium splits in this report. Work charges / premium splits are reported in UTC06. A work charge represents a division of the title premium or escrow fee for the division of work to perform title or escrow. This table is a report of expenses and revenues for services provided outside of the premium split arrangement.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC07.D</i>	<i>Affiliated, Non-Affiliated and Licensee</i>	<p><i>Report one of the following codes to describe the type of entity named in UTC07.C:</i></p> <ol style="list-style-type: none"> <i>1. Affiliated title insurance company, underwritten title company or controlled escrow company licensed to do business in California.</i> <i>2. Affiliated company other than a title insurance company, underwritten title company or controlled escrow company licensed to do business in California.</i> <i>3. Non-affiliated title insurance company, underwritten title company or controlled escrow company licensed to do business in California.</i>
<i>UTC07.E</i>	<i>Expense or Revenue</i>	<p><i>Report one of the following codes:</i></p> <ol style="list-style-type: none"> <i>1 if the reporting company paid for a service.</i> <i>2 if the reporting company received revenue for a service.</i>
<i>UTC07.F</i>	<i>Description of Activity</i>	<p><i>Describe the service provided with moderate detail. “Title Search” or “Escrow” or “Management Services” are insufficient descriptions.</i></p>
<i>UTC07.G</i>	<i>Category</i>	<p><i>If the item is an expense – the entry in UTC07.E is 1 – report the line from Report UTC03 in which the item is reported for non-personnel expenses and the line from Report UTC04 in which the items is reported for personnel expenses. If the item is revenue – the entry in UTC07.E is 2 – report the line from Report UTC03 in which the revenue is reported.</i></p>
<i>UTC07.H</i>	<i>Amount Paid</i>	<p><i>If the entry in data field UTC07.E is 1, report to the nearest dollar the total amount paid for the activity in data field UTC07.F provided to the entity in data field UTC07.C during the reporting period. If the entry in data field UTC07.D is 2, report to the nearest dollar the total amount received for the activity in data field UTC07.E from the entity in data field UTC07.C during the reporting period.</i></p>

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>UTC07.I</i>	<i>Special Nature of Affiliate</i>	<i>Enter 1 if the affiliate in this transaction received a benefit from a lending institution where the benefit was derived from the lending institution's absorption of expenses incident to providing a normal banking function or the lending institution's forbearance from charging a fee in connection with providing a normal banking function. Otherwise, leave blank.</i>

(h) **UTC08 Report of Other Services Activity.** Each underwritten title company shall submit this report of other services activity during the reporting period. Each underwritten title company shall submit a report UTC08 for each controlled escrow company controlled by the underwritten title company and whose experience is not otherwise included in the report UTC08 of the underwritten title company.

(1) Other services include any activity for which a charge is made to one of the parties in the real estate transaction and which is not the production or delivery of a preliminary report, the production or delivery of a title insurance policy, the provision of full escrow or the provision of subescrow.

(2) This report can be visualized as a table with each row or record as a summary of information about a specific type of other service and with each column a different data field. The instructions below explain the entries in each data field or column.

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>UTC08.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the underwritten title company whose experience is being reported. A separate report is required for each underwritten title company. A separate report is required for each controlled escrow company which is controlled by the underwritten title company and whose experience is not otherwise included in the UTC08 report of the underwritten title company. The Report of Other Services Activity for such a controlled escrow company should be completed using the UTC08 report format.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC08.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>
<i>UTC08.C</i>	<i>Internal Transaction #</i>	<i>Report the internal transaction # from UTC01.C for which the other service charge activity is associated. If the other services are associated with a transaction not reported in table UTC01, create a new and unique transaction number for use with this report.</i>
<i>UTC08.D</i>	<i>Other Service</i>	<i>Report the name of the other service provided. Other services include any service for which a charge is made and which is not the provision of a preliminary report, a title policy, full escrow or subescrow. Report a separate record for each other service provided. For example, if three other services were provided in connection with a particular transaction number, there will be three records, all of which have the same transaction number in line UTC08.C. If four other services were provided in connection with a particular transaction #, there will be four records with the same transaction # in UTC08.C</i>
<i>UTC08.E</i>	<i>Other Service Category</i>	<i>Report one of the following codes to describe the other service:</i> <ol style="list-style-type: none"><i>1. Preliminary Report-related</i><i>2. Title Policy Issuance-related</i><i>3. Escrow-related</i><i>4. Other</i>
<i>UTC08.F</i>	<i>Other Service Charge</i>	<i>Report the amount of the charge for the other service described in line UTC08.D.</i>
<i>UTC08.G</i>	<i>Other Service Charge Date of Rate Filing</i>	<i>Report the submission date of the rate filing in which the other service charge is listed in YYYYMMDD format where YYYY is the year, MM is the month and DD is the day.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC08.H</i>	<i>Filing Page Number</i>	<i>Report the page number of the rate filing from field UTC08.G on which the charge for the other service from field UTC08.D can be found.</i>

(i) **UTC09 Report of Facilities Locations.** Each underwritten title company shall submit this report of facilities locations employed by the underwritten title company for California-related title, escrow and other services activities. Each underwritten title company shall submit a report UTC09 for each controlled escrow company controlled by the underwritten title company and whose experience is not otherwise included in the report UTC09 of the underwritten title company.

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC09.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the underwritten title company whose facilities are reported. A separate report is required for each underwritten title company. A separate report is required for each controlled escrow company which is controlled by the underwritten title company and whose facilities are not otherwise included in the UTC09 report of the underwritten title company. The Report of Facilities Locations for such a controlled escrow company reports should be completed using the UTC09 report format.</i>
<i>UTC09.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC09.C</i>	<i>Office Code</i>	<i>Report a unique numerical code of up to five digits for each office location of the reporting entity. Office refers to any location in which the business of title insurance is transacted and includes locations where title plants are housed, where title search and examination is conducted, where title policies are produced and issued from, where escrow is conducted, where other services are performed and where any aspect of the business of title insurance is conducted. Report the numerical code without comma or leading zeroes. Report a separate record for each office location.</i>
<i>UTC09.D</i>	<i>Office Street Address</i>	<i>Report the street address of the office whose code is reported in field UTC09.C.</i>
<i>UTC09.E</i>	<i>Office City</i>	<i>Report the city location of the office whose code is reported in field UTC09.C.</i>
<i>UTC09.F</i>	<i>Office State</i>	<i>Report the state location of the office whose code is reported in field UTC09.B. Report the United States Post Office two-letter state abbreviation in capital letters.</i>
<i>UTC09.G</i>	<i>Office 5 Digit ZIP</i>	<i>Report the 5-digit ZIP Code location of the office whose code is reported in field UTC09.C. Report the 5 digits without commas and use a leading zero when appropriate.</i>
<i>UTC09.H</i>	<i>Office Plus 4 ZIP</i>	<i>Report the Plus-4 ZIP Code location of the office whose code is reported in field UTC09.B.</i>
<i>UTC09.I</i>	<i>Foreign Location</i>	<i>If the office location is outside of the United States, report the city, state or province, and country location of the office whose code is reported in field UTC09.C.</i>
<i>UTC09.J</i>	<i>Location Activity: Title Search and Examination</i>	<i>Report the average number of full-time equivalent workers engaged in title search, examination and underwriting at this location during the reporting period.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC09.K</i>	<i>Location Activity: Title Plant</i>	<i>Report the average number of full-time equivalent workers engaged in title plant maintenance at this location during the reporting period.</i>
<i>UTC09.L</i>	<i>Location Activity: Preliminary Report Production and Issuance</i>	<i>Report the average number of full-time equivalent workers engaged in preliminary report production and issuance activities – not title plant maintenance or title search, examination or underwriting – at this location during the reporting period.</i>
<i>UTC09.M</i>	<i>Location Activity: Title Policy Production and Issuance</i>	<i>Report the average number of full-time equivalent workers engaged in title policy production and issuance at this location during reporting period. Do not include workers engaged in title plant maintenance, title search, examination and underwriting or preliminary report production and issuance.</i>
<i>UTC09.N</i>	<i>Location Activity: Escrow Closing</i>	<i>Report the average number of full-time equivalent workers engaged in escrow closing activities at this location during the reporting period.</i>
<i>UTC09.O</i>	<i>Location Activity: Escrow Other Than Closing</i>	<i>Report the average number of full-time equivalent workers engaged in escrow activities other than escrow closing at this location during the reporting period.</i>

(j) **UTC10 Report of Title Premium by Underwritten Title Company.**
Each underwritten title company shall submit this report of title insurance premium going to title insurance companies pursuant to underwriting agreements during the reporting period. This report can be visualized as a table with each row (record) describing the title insurance premium generated by a single underwritten title company and each column representing the data fields described below.

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC10.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the underwritten title company whose experience is being reported. A separate report is required for each underwritten title company.</i>
<i>UTC10.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit numeral.</i>
<i>UTC10.C</i>	<i>Name of Title Insurance Company</i>	<i>Report the name of the title insurance company to whom a portion of the title insurance premium was paid.</i>
<i>UTC10.D</i>	<i>Gross Title Premium</i>	<i>Report the total amount of title premium during the reporting period for policies issued through the title insurance company listed in data field UTC10.C.</i>
<i>UTC10.E</i>	<i>Amount to Title Insurance Company</i>	<i>Report the total amount of the title premium from data field UTC10.D that went to the title insurance company listed in data field UTC10.C.</i>
<i>UTC10.F</i>	<i>Amount to Reporting Company</i>	<i>Report the total amount of the title premium from data field UTC10.D that went to the reporting company.</i>

(k) *UTC11 Report of Escrow Discounts and Surcharges. Each underwritten title company shall submit this report of escrow discounts and surcharges used during the reporting period. Each underwritten title company shall submit a report UTC11 for each controlled escrow company controlled by the underwritten title company and whose experience is not otherwise included in the report UTC11 of the underwritten title company.*

(1) *This report can be visualized as a table with each row (record) describing a different title policy form endorsement and each column representing the data fields described below.*

(2) *Rates for different geographic locations should be reported as discounts and surcharges of a base escrow rate.*

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC11.A</i>	<i>Name of Reporting Entity</i>	<i>Report the name of the underwritten title company whose experience is being reported. A separate report is required for each underwritten title company. A separate report is required for each controlled escrow company which is controlled by the underwritten title company and whose experience is not otherwise included in the UTC11 report of the underwritten title company. The Report of Escrow Discounts and Surcharges for such a controlled escrow company reports should be completed using the UTC11 report format.</i>
<i>UTC11.B</i>	<i>Reporting Year</i>	<i>Report the calendar year experience period as a four-digit number.</i>
<i>UTC11.C</i>	<i>Code</i>	<i>Report a unique code for each escrow discount and surcharge.</i>
<i>UTC11.D</i>	<i>Name</i>	<i>Report a description of the discount or surcharge associated with the unique code from field UTC11.C.</i>
<i>UTC11.F</i>	<i>Type of Rate</i>	<i>Describe the type of rate by entering one of the following codes: 1 if the rate is a percentage of an amount in a basic rate table 2 if the rate is a fixed dollar amount 3 if the rate is a percentage of the basic premium or 4 if other than 1, 2 or 3.</i>
<i>UTC11.G</i>	<i>Rate</i>	<i>If the code in UTC15.F is 1, report the percentage as a whole number. For example, if the rate is 64% of the basic rate table, report 64. If the code in UTC15.F is 2, report the dollar amount to the nearest whole dollar without commas. If the code in UTC15.F is 3, report the percentage as a whole number. If the code in UTC15.F is 4, report a description of the rate.</i>

(l) **UTC12 Six-Year Report of Selected Data.** Each underwritten title company submitting Reports UTC02 and UTC03 shall submit this report of six years of experience for certain line items from Reports UTC02 and UTC03. Report UTC12, like Reports UTC02 and UTC03, is a report of consolidated GAAP-basis experience. Report UTC12 must be reported using a spreadsheet template provided by the Commissioner on the Department's web site: www.insurance.ca.gov.

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>UTC12.A</i>	<i>Name of Reporting Company</i>	<i>Report the name of the reporting company. In a separate document accompanying the submission of this report, provide a list of the entities whose experience is consolidated into Report UTC02.</i>
<i>UTC12.B</i>	<i>Current Reporting Year - California</i>	<i>Report experience for the current - most recent - reporting period in this column for California-only business in this column. The entries in this column are carried from Table UTC02, Column UTC02.D and Table UTC03, Column UTC03.D for line items in those reports that match the line items in this report.</i>
<i>UTC12.C</i>	<i>First Prior Year - California</i>	<i>Report experience for the first reporting period prior to the current reporting period for California-only business in this column. The entries in this column are carried from Table UTC02, Column UTC02.E and Table UTC03, Column UTC03.E for line items in those reports that match the line items in this report.</i>
<i>UTC12.D</i>	<i>Second Prior Year - California</i>	<i>Report experience for the second reporting period prior to the current reporting period for California-only in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table UTC02 and Table UTC03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table UTC02 and Table UTC03 must be used to develop the entries for this earlier period.</i>

<i>Field / Column Number</i>	<i>Name of Data Field</i>	<i>Description and Instructions for Data Field</i>
<i>UTC12.E</i>	<i>Third Prior Year - California</i>	<i>Report experience for the third reporting period prior to the current reporting period for California-only in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table UTC02 and Table UTC03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table UTC02 and Table UTC03 must be used to develop the entries for this earlier period.</i>
<i>UTC12.F</i>	<i>Fourth Prior Year - California</i>	<i>Report experience for the fourth reporting period prior to the current reporting period for California-only business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table UTC02 and Table UTC03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table UTC02 and Table UTC03 must be used to develop the entries for this earlier period.</i>
<i>UTC12.G</i>	<i>Fifth Prior Year - California</i>	<i>Report experience for the fifth reporting period prior to the current reporting period for California-only business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table UTC02 and Table UTC03. Stated differently, the same procedures used to allocate assets and liabilities employed in Table UTC02 and Table UTC03 must be used to develop the entries for this earlier period. No expense item row entries are required for this reporting period (column).</i>

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>UTC12.H</i>	<i>Current Year - Countrywide</i>	<i>Report consolidated GAAP-basis experience for the current - most recent - reporting period for countrywide business in this column. The entries in this column are carried from Table UTC02, Column UTC02.H and Table UTC03, Column UTC03.H for line items in those reports that match the line items in this report.</i>
<i>UTC12.I</i>	<i>First Prior Year - Countrywide</i>	<i>Report consolidated GAAP-basis experience for the first reporting period prior to the current reporting period for countrywide business in this column. The entries in this column are carried from Table UTC02, Column UTC02.I and Table UTC03, Column UTC03.I for line items in those reports that match the line items in this report.</i>
<i>UTC12.J</i>	<i>Second Prior Year - Countrywide</i>	<i>Report consolidated GAAP-basis experience for the second reporting period prior to the current reporting period for countrywide business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table UTC02 and Table UTC03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table UTC02 and Table UTC03 must be used to develop the entries for this earlier period.</i>
<i>UTC12.K</i>	<i>Third Prior Year - Countrywide</i>	<i>Report consolidated GAAP-basis experience for the third reporting period prior to the current reporting period for countrywide business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table UTC02 and Table UTC03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table UTC02 and Table UTC03 must be used to develop the entries for this earlier period.</i>

Field / Column Number	Name of Data Field	Description and Instructions for Data Field
<i>UTC12.L</i>	<i>Fourth Prior Year - Countrywide</i>	<i>Report consolidated GAAP-basis experience for the fourth reporting period prior to the current reporting period for countrywide business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table UTC02 and Table UTC03. Stated differently, the same procedures used to allocate assets, liabilities and expenses employed in Table UTC02 and Table UTC03 must be used to develop the entries for this earlier period.</i>
<i>UTC12.M</i>	<i>Fifth Prior Year -- Countrywide</i>	<i>Report consolidated GAAP-basis experience for the fifth reporting period prior to the current reporting period for total countrywide business in this column. The entries in this column are not carried from other tables and must be calculated using the same procedures employed in Table UTC02 and Table UTC03. Stated differently, the same procedures used to allocate assets and liabilities employed in Table UTC02 and Table UTC03 must be used to develop the entries for this earlier period. No expense item row entries are required for this reporting period (column).</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>UTC12.01</i>	<i>Year</i>	<i>Enter the year corresponding to the reporting year for each column as a four digit number without commas. For example, if the current reporting period is 2006, enter 2006 in this row in Column UTC12.B and 2005, 2004, 2003 and 2002 in Columns UTC12.C, UTC12.D, UTC12.E and UTC12.F. In this example, enter 2006, 2005, 2004, 2003 and 2002 in Columns UTC12.G, UTC12.H, UTC12.I, UTC12.J and UTC12.K, respectively.</i>
<i>UTC12.02</i>	<i>Gross Title Premium</i>	<i>Report gross title premium in the same manner as reported in TI03.01.</i>

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
UTC12.03	Escrow Fees	Report full escrow fees in the same manner as reported in TI03.04.
UTC12.04	Subescrow Fees	Report subescrow fees in the same manner as reported in TI03.05
UTC12.05	Other Service Charges	Report other service revenues in the same manner as reported in TI03.08
UTC12.06	Total Operating Revenue	This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of rows UTC12.02 through UTC12.05. Report total operating revenue including title insurance premiums, escrow fees, other service charges and other operating revenue during the reporting period.
UTC12.07	Total Title Loss and Loss Settlement Expenses	Report title loss and loss settlement expenses in the same manner as reported in TI03.27, which is the sum of title losses paid, changes in title loss case reserves and title loss adjustment expenses.
UTC12.08	Total Escrow Loss and Loss Settlement Expenses	Report escrow loss and loss settlement expenses in the same manner as reported in TI03.31, which is the sum of escrow losses paid, changes in escrow loss reserves and escrow loss adjustment expenses.
UTC12.09	Net Investment Income	Report net investment income in the same manner as reported in TI03.79.
UTC12.10	Realized Capital Gains	Report realized capital gains in the same manner as reported in TI03.80.
UTC12.11	Unrealized Capital Gains	Report unrealized realized capital gains in the same manner as reported in TI03.80.
UTC12.12	Net Income Before Taxes	Report net income before taxes in the same manner as reported in TI03.83
UTC12.13	State Income Tax	Report state income taxes in the same manner as reported in TI03.84.
UTC12.14	Federal Income Tax	Report federal income taxes in the same manner as reported in TI03.85.
UTC12.15	RESERVED	Leave Blank
UTC12.16	Goodwill	Report goodwill in the same manner as reported in TI02.09
UTC12.17	RESERVED	Leave Blank
UTC12.18	Total Assets	Report total assets in the same manner as reported in TI02.12
UTC12.19	Title Case Loss Reserves	Report title case loss reserves in the same manner as reported in TI02.19.

Row / Line Number	Name of Data Line	Description and Instructions for Data Line
<i>UTC12.20</i>	<i>Title Incurred But Not Reported Loss Reserves</i>	<i>Report title incurred but not reported loss reserves in the same manner as reported in TI02.20.</i>
<i>UTC12.21</i>	<i>Escrow Claim Reserves</i>	<i>Report escrow claim reserves in the same manner as reported in TI02.21.</i>
<i>UTC12.22</i>	<i>Total Reserves</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of UTC12.19, UTC12.20 and UTC12.21.</i>
<i>UTC12.23</i>	<i>RESERVED</i>	<i>Leave Blank</i>
<i>UTC12.24</i>	<i>Total Liabilities</i>	<i>Report total liabilities in the same manner as reported in TI02.24.</i>
<i>UTC12.25</i>	<i>RESERVED</i>	<i>Leave Blank</i>
<i>UTC12.26</i>	<i>Total Equity</i>	<i>Report total equity in the same manner as reported in TI02.29</i>
<i>UTC12.27</i>	<i>Total Reserves and Equity</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of UTC12.22 and UTC12.26.</i>
<i>UTC12.28</i>	<i>Total Liabilities and Equity</i>	<i>This is a calculated amount and no entry is required in the spreadsheet template. This entry is the sum of UTC12.24 and UTC12.26.</i>

(m) **UTC13 Report of Unusual Charges.** Each underwritten title company shall submit this report of unusual charges made pursuant to Insurance Code Section 12401.8. Each underwritten title company shall submit a report UTC13 for each controlled escrow company controlled by the underwritten title company and whose experience is not otherwise included in the report UTC13 of the underwritten title company. This report can be visualized as a table where each row is a separate record corresponding to a separate unusual charge and each column is a separate data field.

Field / Column Number	Data Field Name	Description and Instructions
<i>UTC13.A</i>	<i>Name of Reporting Company</i>	<i>Enter the full name of the reporting company.</i>
<i>UTC13.B</i>	<i>Reporting Period</i>	<i>Enter the experience year as a four-digit number without commas.</i>

<i>Field / Column Number</i>	<i>Data Field Name</i>	<i>Description and Instructions</i>
<i>UTC13.C</i>	<i>Transaction #</i>	<i>Enter the transaction number from Report UTC01 that contains this unusual charge.</i>
<i>UTC13.D</i>	<i>Risk or Service</i>	<i>Enter one of the following codes to describe the unusual charge: 1 for unusual risk 2 for unusual charge</i>
<i>UTC13.E</i>	<i>Amount</i>	<i>Enter the dollar amount for the unusual charge with no commas.</i>
<i>UTC13.F</i>	<i>Description</i>	<i>Provide a complete description of the unusual coverage or unusual service provided.</i>
<i>UTC13.G</i>	<i>Cost Justification</i>	<i>Provide a brief cost justification for the unusual charge.</i>

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

SUBARTICLE 3.

REGULATION OF RATES FOR TITLE INSURANCE

Section 2357.1 *Scope*

The provisions of this article apply to every policy of title insurance issued for any residential property.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.2 *Excessive charges*

(a) *No charge for a policy of title insurance may exceed the maximum title insurance charge for that policy, as specified in section 2357.5. Any charge greater than the maximum title insurance charge is conclusively deemed excessive within the meaning of Insurance Code Section 12401.3, subdivision (a). Any charge no greater than the maximum title insurance charge for that policy is conclusively deemed not to be excessive within the meaning of the same statute.*

(b) *No charge for a preliminary report may exceed the preliminary report charge specified in section 2357.7. Any charge greater than the preliminary report charge specified in section 2357.7 is conclusively deemed excessive within the meaning of Insurance Code Section 12401.3. Any charge no greater than the preliminary report charge is conclusively deemed not to be excessive within the meaning of the same statute.*

(c) *Nothing in this article shall preclude a charge less than the maximum title insurance charge or preliminary report charge. Companies are free to charge any rate that does not exceed the maximum title insurance charge or preliminary report charge so long as that rate is not inadequate, unfairly discriminatory, or otherwise in violation of the law.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.3 *Determination of title insurance totals*

The Commissioner shall, in consultation with the advisory organizations, determine and publish annually the calculated total and corrected total for each of the following quantities. The calculated and corrected totals are produced in the same manner with one exception – the calculated totals are produced with data as reported while the corrected totals are produced with data as corrected by the Commissioner. In the following sections, instructions for producing calculated totals are presented. The corrected totals are produced in the same manner with the exception of using corrected data, instead of reported data, in the calculation.

(a) *Total full-time equivalent workers, computed as the sum of*

- (1) *total preliminary report related full-time equivalent workers;*
- (2) *total title insurance policy related full-time equivalent workers;*
- (3) *total escrow related full-time equivalent workers; and*
- (4) *total subescrow related full-time equivalent workers.*

(b) *Total preliminary report related full-time equivalent workers, computed as the sum of*

(1) *the sum of Report TI04, lines TI04.01 (Title Search/Examination) , TI04.02 (Title Plant Maintenance), TI04.03 (Preliminary Report Issuance) and TI04.12 (Courier and Delivery – Preliminary Reports); Column TI04.E (Total Full-Time Equivalent Workers); and*

(2) *the sum of Report UTC04, lines UTC04.01 (Title Search/Examination) , UTC04.02 (Title Plant Maintenance), UTC04.03 (Preliminary Report Issuance) and UTC04.12 (Courier and Delivery – Preliminary Reports); Column UTC04.E (Total Full-Time Equivalent Workers).*

(c) *Total title insurance policy related full-time equivalent workers, computed as the sum, for all reporting companies, of*

(1) *the sum of Report TI04, lines TI04.04 (Title Policy Issuance) , TI04.05 (Title Claims) and TI04.13 (Courier and Delivery – Title Policy); Column TI04.E (Total Full-Time Equivalent Workers); and*

(2) *the sum of Report UTC04, lines UTC04.04 (Title Policy Issuance), UTC04.05 (Title Claims) and UTC04.13 (Courier and Delivery – Title Policy); Column UTC04.E (Total Full-Time Equivalent Workers).*

(d) *Total escrow related full-time equivalent workers, computed as the sum, for all reporting companies, of*

(1) *the sum of Report TI04, lines TI04.09 (Escrow Document Production and Execution), TI04.10 (Escrow Claims Settlement), TI04.11 (Recording of Documents), TI04.14 (Courier and Delivery – Escrow) and TI04.16 (Funds Transfer); Column TI04.E (Total Full-Time Equivalent Workers); and*

(2) *the sum of Report UTC04, lines UTC04.09 (Escrow Document Production and Execution), UTC04.10 (Escrow Claims Settlement), UTC04.11 (Recording of Documents), UTC04.14 (Courier and Delivery – Escrow) and UTC04.16 (Funds Transfer); Column UTC04.E (Total Full-Time Equivalent Workers); less*

(3) *total subescrow full-time equivalent workers.*

(e) *Total subescrow related full-time equivalent workers, computed as the product, of*

(1) *the sum, for all reporting companies, of*

(A) *the sum of Report TI04, line TI04.16 (Funds Transfer), Column TI04.E (Total Full-Time Equivalent Workers); and*

(B) *the sum of Report UTC.04, line UTC04.16 (Funds Transfer), Column UTC04.E (Total Full-Time Equivalent Workers);*

(2) *multiplied by the ratio of*

(A) *one-tenth of the total subescrow transactions time*

(B) *to the sum of*

(i) *total escrow transactions; and*

(ii) *one-tenth of the total subescrow transactions.*

- (f) *Total revenue, computed as the sum of*
- (1) *total title insurance premium;*
 - (2) *total escrow charges;*
 - (3) *total subescrow charges; and*
 - (4) *total other service revenue.*
- (g) *Total title insurance premium, computed as the sum, for all reporting companies, of Report TI03, Line TI03.01 (Gross Written Title Premium) , Column TI03.D (California Current Year).*
- (h) *Total escrow charges, computed as the sum, for all reporting companies, of*
- (1) *Report TI03, Line TI03.04 (Escrow Fees), Column TI03.D (California Current Year); and*
 - (2) *Report UTC03, Line UTC03.04 (Escrow Fees), Column UTC03.D (California Current Year).*
- (i) *Total subescrow charges, computed as the sum, for all reporting companies, of*
- (1) *Report TI03, Line TI03.05 (Subescrow Fees), Column TI03.D (California Current Year); and*
 - (2) *Report UTC03, Line UTC03.05 (Subescrow Fees), Column UTC03.D (California Current Year).*
- (j) *Total other service revenue, computed as the sum, for all reporting companies, of*
- (1) *Report TI03, Line TI03.08 (Other Services), Column TI03.D (California Current Year); and*
 - (2) *Report UTC03, Line UTC03.08 (Other Services), Column UTC03.D (California Current Year).*

(k) *Total underwritten title company retained title insurance premium, computed as the sum, for all reporting companies, of Report TI03, Line TI03.12 (Title Premium Retained by or remitted to Underwritten Title Companies), Column TI03.D (California Current Year).*

(l) *Total title insurance company retained title insurance premium, computed as the sum, for all reporting companies, of*

(1) *total title insurance premium, less*

(2) *total underwritten title company retained title insurance premium.*

(m) *Total preliminary report related other service revenue, computed as the sum, for all reporting companies, of*

(1) *Report TI08, Column TI08.F (Other Service Charge) for those records in which the entry in Column TI08.F (Other Service Charge) is 1 (Preliminary Report Related); and*

(2) *Report UTC08, Column UTC08.F (Other Service Charge) for those records in which the entry in Column UTC08.F (Other Service Charge) is 1 (Preliminary Report Related).*

(n) *Total title policy issuance related other service revenue, computed as the sum, for all reporting companies, of*

(1) *Report TI08, Column TI08.F (Other Service Charge) for those records in which the entry in Column TI08.F (Other Service Charge) is 2 (Title Policy Issuance Related); and*

(2) *Report UTC08, Column UTC08.F (Other Service Charge) for those records in which the entry in Column UTC08.F (Other Service Charge) is 2 (Title Policy Issuance Related).*

(o) *Total escrow related other service revenue, computed as the sum, for all reporting companies, of*

(1) *Report TI08, Column TI08.F (Other Service Charge) for those records in which the entry in Column TI08.F (Other Service Charge) is 3 (Escrow Related); and*

(2) *Report UTC08, Column UTC08.F (Other Service Charge) for those records in which the entry in Column UTC08.F (Other Service Charge) is 3 (Escrow Related).*

(p) *Total amount of insurance, computed as the sum, for all reporting companies, of Report TI14, all lines (records), Columns TI14.M (Owner's Policy Amount of Premium) and TI14.P (Lender's Policy 1 Amount of Premium) minus the lesser of Column TI14.M (Owner's Policy Amount of Premium) and TI14.P (Lender's Policy 1 Amount of Premium) when the line (record) has an entry in both columns.*

(q) *Total escrow value, computed as the sum, for all reporting companies, of*

(1) *Report TI05, all lines (records), Column TI05.E (Amount of Escrow); and*

(2) *Report UTC05, all lines (records), Column UTC05.E (Amount of Escrow).*

(r) *Total number of preliminary report transactions, computed as the sum, for all reporting companies, of*

(1) *the count of all records in Report TI01 where the entry in column TI01.Q (Preliminary Report Delivered) is 1 (Delivered with no charge), 2 (Delivered with a charge) or 3 (Prepared But Not Delivered) less the count of any such records where the entry in TI01.F (Work Charge / Premium Split) is 2 (Received a work charge); and*

(2) *the count of all records in Report UTC01 where the entry in column UTC01.Q (Preliminary Report Delivered) is 1 (Delivered with no charge), 2 (Delivered with a charge) or 3 (Prepared But Not Delivered) less the count of any such records where the entry in UTC01.F (Work Charge / Premium Split) is 2 (Received a work charge).*

(s) *Total number of title insurance transactions, computed as the count of all records, for all reporting companies, in Report TI12.*

(t) *Total escrow transactions, computed as the sum, for all reporting companies, of*

(1) *the count of records in Report TI01 in which the entry in Column TI01.D (Type of Title and Escrow Transaction) is either 1 (Title and Escrow) or 4 (Escrow Only) and the entry in Column TI01.M (Date Order Opened) is on or after the first day of the year reported in Column TI01.B (Reporting Year); and*

(2) *the count of all records in Report UTC01 in which the entry in Column UTC01.D (Type of Title and Escrow Transaction) is either 1 (Title and Escrow) or 4 (Escrow Only) and the entry in Column UTC01.M (Date Order Opened) is on or after the first day of the year reported in Column UTC01.B (Reporting Year).*

(u) *Total subescrow transactions, computed as the sum, for all reporting companies, of*

(1) *the count of all records in Report TI01 in which the entry in Column TI01.D (Type of Title and Escrow Transaction) is either 2 (Title and Subescrow) or 5 (Subescrow Only); and*

(2) *the count of all records in Report UTC01 in which the entry in Column UTC01.D (Type of Title and Escrow Transaction) is either 2 (Title and Subescrow) or 5 (Subescrow Only).*

(v) *Total title plant maintenance, computed as*

(1) *the quantity,*

(A) *the sum, for all reporting companies, of*

(i) *Report TI03, lines TI03.32 (Title Plant Maintenance for Owned Title Plants) and TI03.33 (Subscription Fees, Rent and Charges for Non-Owned Title Plans), Column TI03.D (California Current Year);*

(ii) *Report TI04, Line TI04.02 (Title Plant Maintenance), Column TI04.M (Total Personnel Costs);*

(iii) *Report UTC03, lines UTC03.32 (Title Plant Maintenance for Owned Title Plants) and UTC03.33 (Subscription Fees, Rent and Charges for Non-Owned Title Plans), Column UTC04.D (California Current Year); and*

(iv) *Report UTC04, Line UTC04.02 (Title Plant Maintenance), Column UTC03.M (Total Personnel Cost);*

(B) *less the sum, for all reporting companies, of*

(i) *Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.32 (Title Plant*

Maintenance for Owned Title Plants), TI03.33 (Subscription Fees, Rent and Charges for Non-Owned Title Plans) or TI04.02 (Title Plant Maintenance); and

(ii) Report UTC07, Column UTC07.H for all lines in which the entry in Column UTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.32 (Title Plant Maintenance), UTC03.33 (Subscription Fees, Rent and Charges for Non-Owned Title Plans) or TI04.02 (Title Plant Maintenance for Owned Title Plants);

(2) multiplied by the ratio of

(A) total underwritten title company retained title insurance premium

(B) to the sum, for all reporting companies, of

(i) underwritten title company retained title insurance premium; and

(ii) total preliminary report related other service revenue.

(w) Total taxes, licenses, and fees, computed as the sum, for all reporting companies, of

(1) Report TI03, lines TI03.62 (Licenses, Fees, Taxes Other Than Income and Premium), Column TI03.D (California Current Year, Report); and

(2) Report UTC03, lines UTC03.62 (Licenses, Fees, Taxes Other Than Income and Premium), Column UTC03.D (California Current Year).

(x) Total facility rent, computed as

(1) the quantity,

(A) the sum, for all reporting companies, of

(i) Report TI03, lines TI03.52 (Facility Rent, Depreciation and Amortization), Column TI03.D (California Current Year, Report); and

(ii) Report UTC03, lines UTC03.52 (Facility Rent, Depreciation and Amortization), Column UTC03.D (California Current Year);

(B) *less the sum, for all reporting companies, of*

(i) *Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.52 (Facility Rent); and*

(ii) *Report UTC07, Column UTC07.H for all lines in which the entry in Column TIUTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.52 (Facility Rent);*

(2) *multiplied by the ratio of*

(A) *the sum, for all reporting companies, of*

(i) *total title insurance premium;*

(ii) *total escrow charges; and*

(iii) *total subescrow charges;*

(B) *to total operating revenue for all reporting companies.*

(y) *Total search, examination and underwriting cost, computed as*

(1) *the quantity*

(A) *the sum, for all reporting companies, of*

(i) *Report TI03, Lines TI03.33 (Subscription Fees, Rent and Charges for Non-Owned Title Plants), Column TI03.D (California Current Year);*

(ii) *Report TI04, Line TI04.01 (Title Search / Examination), Column TI04.M (Total Personnel Costs);*

(iii) *Report UTC03, Lines UTC03.33 (Subscription Fees, Rent and Charges for Non-Owned Title Plants), Column UTC03.D (California Current Year);*

(iv) Report UTC04, Line UTC04.01 (Title Search / Examination), Column UTC04.M (Total Personnel Costs);

(B) less the sum, for all reporting companies, of

(i) Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.33 (Subscription Fees, Rent and Charges for Non-Owned Title Plants) or TI04.01 (Title Search / Examination); and

(ii) Report UTC07, Column UTC07.H for all lines in which the entry in Column TIUTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.33 (Subscription Fees, Rent and Charges for Non-Owned Title Plants) or UTC04.01 (Title Search / Examination);

(2) multiplied by the ratio of

(A) total underwritten title company retained title insurance premium

(B) to the sum, for all reporting companies, of

(i) total underwritten title company retained title insurance premium; and

(ii) total preliminary report related other service revenue.

(z) Total preliminary report production and delivery cost, computed as

(1) the quantity

(A) the sum, for all reporting companies, of

(i) Report TI03, Lines TI03.35 (Preliminary Report Production and Issuance) and TI03.43 (Messenger, Overnight and Delivery Service – Preliminary Reports), Column TI03.D (California Current Year);

(ii) *Report TI04, Lines TI04.03 (Preliminary Report Issuance) and TI04.12 (Courier and Delivery – Preliminary Reports), Column TI04.M (Total Personnel Costs); and*

(iii) *Report UTC03, Lines UTC03.35 (Preliminary Report Production and Issuance) and UTC03.43 (Messenger, Overnight and Delivery Service – Preliminary Reports), Column UTC03.D (California Current Year);*

(iv) *Report UTC04, Lines UTC04.03 (Preliminary Report Issuance) and UTC04.12 (Courier and Delivery – Preliminary Reports), Column UTC04.M (Total Personnel Costs);*

(B) *less the sum, for all reporting companies, of*

(i) *Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI04.03 (Preliminary Report Issuance), TI03.43 (Messenger, Overnight and Delivery Service – Preliminary Reports), TI04.03 (Preliminary Report Issuance) or TI04.12 (Courier and Delivery – Preliminary Reports); and*

(ii) *Report UTC07, Column UTC07.H for all lines in which the entry in Column TIUTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC04.03 (Preliminary Report Issuance), UTC03.43 (Messenger, Overnight and Delivery Service – Preliminary Reports), UTC04.03 (Preliminary Report Issuance) or UTC04.12 (Courier and Delivery – Preliminary Reports);*

(2) *multiplied by the ratio of*

(A) *total underwritten title company retained title insurance premium*

(B) *to the sum, for all reporting companies, of*

(i) *underwritten title company retained title insurance premium; and*

(ii) *total preliminary report related other service revenue.*

(aa) *Total overhead, computed as*

(1) *the sum, for all reporting companies, of*

(A) *Report TI03, Lines TI03.46 (Messenger, Overnight and Delivery Service – Other), TI03.51 (Travel and Travel Items Other Than Sales, Marketing and Customer Service), TI03.53 (Equipment Rent), TI03.54 (Data Processing Services and Software), TI03.55 (Printing/Stationery/ Supplies), TI03.56 (Telephone / Utilities), TI03.57 (Postage and Freight), TI03.58 (Accounting /Auditor Fees), TI03.59 (Director Fees), TI03.60 (Legal Fees), TI03.61 (Management Fees), TI03.64 (Depreciation / Amortization Other Than Real Estate and Buildings), TI03.65 (Bad Debt Expense), TI03.66 (Insurance), TI03.69 (Trade Associations and Advisory Organizations), TI03.70 (Dues / Subscriptions Other than Trade and Advisory Organizations) and TI03.72 (Aggregate Write-Ins for Other Expenses), Column TI03.D (California Current Year);*

(B) *Report TI04, Lines TI04.06 (General Management) and TI04.15 (Courier and Delivery – Other), Column TI04.M (Total Personnel Costs);*

(C) *Report UTC03, Lines UTC03.46 (Messenger, Overnight and Delivery Service – Other), UTC03.51 (Travel and Travel Items Other Than Sales, Marketing and Customer Service), UTC03.53 (Equipment Rent), UTC03.54 (Data Processing Services and Software), UTC03.55 (Printing/Stationery/ Supplies), UTC03.56 (Telephone / Utilities), UTC03.57 (Postage and Freight), UTC03.58 (Accounting /Auditor Fees), UTC03.59 (Director Fees), UTC03.60 (Legal Fees), UTC03.61 (Management Fees), UTC03.64 (Depreciation / Amortization Other Than Real Estate and Buildings), UTC03.65 (Bad Debt Expense), UTC03.66 (Insurance), UTC03.69 (Trade Associations and Advisory Organizations), UTC03.70 (Dues / Subscriptions Other than Trade and Advisory Organizations) and UTC03.72 (Aggregate Write-Ins for Other Expenses), Column UTC03.D (California Current Year)*

(D) *Report TI04, Lines TI04.06 (General Management) and TI04.15 (Courier and Delivery – Other), Column TI04.M (Total Personnel Costs);*

(2) *less the sum, for all reporting companies, of*

(A) *Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.46 (Messenger, Overnight and Delivery Service – Other), TI03.51 (Travel and Travel Items Other Than Sales, Marketing and Customer Service), TI03.53 (Equipment Rent), TI03.54 (Data Processing Services and Software), TI03.55 (Printing/Stationery/ Supplies), TI03.56 (Telephone / Utilities), TI03.57 (Postage and Freight), TI03.58 (Accounting /Auditor Fees), TI03.59 (Director Fees), TI03.60*

(Legal Fees), TI03.61 (Management Fees), TI03.64 (Depreciation / Amortization Other Than Real Estate and Buildings), TI03.65 (Bad Debt Expense), TI03.66 (Insurance), TI03.69 (Trade Associations and Advisory Organizations), TI03.70 (Dues / Subscriptions Other than Trade and Advisory Organizations), TI03.72 (Aggregate Write-Ins for Other Expenses) TI04.06 (General Management) or TI04.15 (Courier and Delivery – Other);

(B) Report UTC07, Column UTC07.H for all lines in which the entry in Column TIUTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.46 (Messenger, Overnight and Delivery Service – Other), UTC03.51 (Travel and Travel Items Other Than Sales, Marketing and Customer Service), UTC03.53 (Equipment Rent), UTC03.54 (Data Processing Services and Software), UTC03.55 (Printing/Stationery/ Supplies), UTC03.56 (Telephone / Utilities), UTC03.57 (Postage and Freight), UTC03.58 (Accounting /Auditor Fees), UTC03.59 (Director Fees), UTC03.60 (Legal Fees), UTC03.61 (Management Fees), UTC03.64 (Depreciation / Amortization Other Than Real Estate and Buildings), UTC03.65 (Bad Debt Expense), UTC03.66 (Insurance), UTC03.69 (Trade Associations and Advisory Organizations), UTC03.70 (Dues / Subscriptions Other than Trade and Advisory Organizations), UTC03.72 (Aggregate Write-Ins for Other Expenses) UTC04.06 (General Management) or UTC04.15 (Courier and Delivery – Other).

(ab) Federal income tax rate, computed as the ratio of

(1) the sum, for all reporting companies, of

(A) Report TI12, row TI12.14 (Federal Income Tax), columns TI12.B (Current Year – California), TI12.C (First Prior Year – California), TI12.D (Second Prior Year – California), TI12.E (Third Prior Year – California) and TI12.F (Fourth Prior Year – California), and

(B) Report UTC12, row UTC12.14 (Federal Income Tax), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California);

(2) to the sum, for all reporting companies, of

(A) Report TI12, row TI12.12 (Net Income Before Taxes), columns TI12.B (Current Year – California), TI12.C (First Prior Year – California), TI12.D (Second Prior Year – California), TI12.E (Third Prior Year – California) and TI12.F (Fourth Prior Year – California), and

(B) *Report UTC12, row UTC12.12 (Net Income Before Taxes), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California).*

(ac) *State income tax rate, computed as the ratio of*

(1) *the sum, for all reporting companies, of*

(A) *the sum of Report TII2, row TII2.13 (State Income Tax), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California), and*

(B) *the sum of Report UTC12, row UTC12.13 (State Income Tax), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California);*

(2) *to the sum, for all reporting companies, of*

(A) *the sum of Report TII2, row TII2.12 (Net Income Before Taxes), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California), and*

(B) *the sum of Report UTC12, row UTC12.12 (Net Income Before Taxes), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California).*

(ad) *Investment income yield, computed as the ratio of*

(1) *the sum, for all reporting companies, of*

(A) *Report TII2, row TII2.09 (Net Investment Income), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California) and TII2.D (Second Prior Year – California) and*

(B) Report UTC12, row UTC12.09 (Net Investment Income), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California) and UTC12.D (Second Prior Year – California)

(2) to the sum, for all reporting companies, of

(A) one-half of Report TII2, row TII2.27 (Total Reserves and Equity), columns TII2.B (Current Year – California) and TII2.E (Third Prior Year – California);

(B) Report TII2, row TII2.27 (Total Reserves and Equity), columns TII2.C (First Prior Year – California) and TII2.D (Second Prior Year – California);

(C) one-half of Report UTC12, row UTC12.27 (Total Reserves and Equity), columns UTC12.B (Current Year – California) and UTC12.E (Third Prior Year – California);

(D) Report UTC12, row UTC12.27 (Total Reserves and Equity), columns UTC12.C (First Prior Year – California) and UTC12.D (Second Prior Year – California).

(ae) Capital gain yield, computed as the ratio of

(1) the sum, for all reporting companies, of

(A) Report TII2, lines TII2.10 (Realized Capital Gains) and TII2.11 (Unrealized Capital Gains), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California) and TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California);

(B) Report UTC12, row UTC12. 10 (Realized Capital Gains) and UTC12.11 (Unrealized Capital Gains), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California) and UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California);

(2) to the sum, for all reporting companies, of

(A) *one-half of Report TII2, row TII2.27 (Total Reserves and Equity), columns TII2.B (Current Year – California) and TII2.G (Fifth Prior Year – California);*

(B) *Report TII2, row TII2.27 (Total Reserves and Equity), columns TII2.C (First Prior Year – California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California);*

(C) *one-half of Report UTC12, row UTC12.27 (Total Reserves and Equity), columns UTC12.B (Current Year – California) and UTC12.G (Fifth Prior Year – California); and*

(D) *Report UTC12, row UTC12.27 (Total Reserves and Equity), columns UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California).*

(af) *Reserves to revenue ratio, computed as the ratio of*

(1) *the sum, for all reporting companies, of*

(A) *one-half of Report TII2, row TII2.22 (Total Reserves), columns TII2.B (Current Year – California) and TII2.G (Fifth Prior Year – California);*

(B) *Report TII2, row TII2.22 (Total Reserves), columns TII2.C (First Prior Year – California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California);*

(C) *one-half of Report UTC12, row UTC12.22 (Total Reserves), columns UTC12.B (Current Year – California) and UTC12.G (Fifth Prior Year – California); and*

(D) *Report UTC12, row UTC12.22 (Total Reserves), columns UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California);*

(2) *to the sum, for all reporting companies, of*

(A) *Report TII2, row TII2.06 (Total Operating Revenue), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California)*

and TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California);

(B) Report UTC12, row UTC12.06 (Total Operating Revenue), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California) and UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California).

(ag) Net worth to revenue ratio, computed as is the average of

(1) the sum, for all reporting companies, of

(A) one-half of Report TII2, row TII2.26 (Total Equity), columns TII2.B (Current Year – California) and TII2.G (Fifth Prior Year – California);

(B) Report TII2, row TII2.26 (Total Equity), columns TII2.C (First Prior Year – California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California);

(C) one-half of Report UTC12, row UTC12.26 (Total Equity), columns UTC12.B (Current Year – California) and UTC12.G (Fifth Prior Year – California); and

(D) Report UTC12, row UTC12.26 (Total Equity), columns UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California);

(2) to the sum, for all reporting companies, of

(A) Report TII2, row TII2.06 (Total Operating Revenue), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California) and TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California); and

(B) Report UTC12, row UTC12.06 (Total Operating Revenue), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California) and UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California).

(ah) Total policy issuance and maintenance costs, computed as

(1) *the quantity,*

(A) *the sum, for all reporting companies, of*

(i) *Report TI03, line TI03.36 (Title Policy Issuance and Maintenance), Column TI03.D (California Current Year);*

(ii) *Report TI04, Line TI04.04 (Title Policy Issuance and Maintenance), Column TI04.M (Total Personnel Costs);*

(iii) *Report UTC03, line UTC03.36 (Title Policy Issuance and Maintenance), Column UTC03.D (California Current Year); and*

(iv) *Report UTC04, Line UTC04.04 (Title Policy Issuance and Maintenance), Column UTC04.M (Total Personnel Costs);*

(B) *less the sum, for all reporting companies, of*

(i) *Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.36 (Title Policy Issuance and Maintenance) or TI04.04 (Title Policy Issuance and Maintenance); and*

(ii) *Report UTC07, Column UTC07.H for all lines in which the entry in Column UTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.36 (Title Policy Issuance and Maintenance) or UTC04.04 (Title Policy Issuance and Maintenance);*

(2) *multiplied by the ratio of*

(A) *total title insurance company retained title insurance premium*

(B) *to the sum, for all reporting companies, of*

(i) *total title insurance company retained title insurance premium; and*

(ii) *total title policy issuance related other service revenue.*

- (ai) *Total title loss and loss adjustment factor, computed as the ratio of*
- (1) *the sum, for all reporting companies, of*
- (A) *Report TII2, Line TII2.07 (Total Title Loss and Loss Settlement Expense), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California) and TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California);*
- (B) *Report UTC12, row UTC12. 07 (Total Title Loss and Loss Settlement Expense), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California) and UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California);*
- (2) *to the sum, for all reporting companies, of Report TII6, Row TII6.003 (Amount of Insurance), columns TII6.S (Fourth Prior Year), TII6.T (Third Prior Year), TII6.U (Second Prior Year), TII6.V (First Prior Year) and TII6.W (Current Year).*
- (aj) *average title policy class relativity ($ClassRel_{avg}$), computed as*
- (1) *the sum of the following amounts calculated individually for each title insurance company:*
- (A) *Report TII4, Column TII4.N (Owner’s Policy Basic Premium), TII4.Q (Lender’s 1 Policy Basic Premium), and TII4.T (Lender’s Policy 2 Basic Premium); divided by*
- (B) *Report TII4, Column TII4.AD (Total Premium for Title Insurance Policies), multiplied by*
- (C) *the relativity in section 2357.17 for the company’s base policy; multiplied by*
- (D) *Report TII4, Column TII4.N (Owner’s Policy Basic Premium), TII4.Q (Lender’s Policy 1 Basic Premium), and TII4.T (Lender’s Policy 2 Basic Premium);*
- (2) *divided by the sum for all reporting companies of*
- (A) *Report TII4, Column TII4.N (Owner’s Policy Basic Premium), TII4.Q (Lender’s Policy 1 Basic Premium), and TII4.T (Lender’s Policy 2 Basic Premium).*

(ak) *Individual title insurance company gross premium, computed as Report TI03, row TI03.01 (Gross Written Title Premium), column TI03.D (California Current Year Total) for the title insurance company issuing the title insurance policy.*

(al) *Individual title insurance company retained premium, computed as Report TI03, row TI03.01 (Gross Written Title Premium), column TI03.D (California Current Year Total) less Report TI03, row TI03.012 (Title Premium Retained by or Remitted to Underwritten Title Companies), column TI03.D (California Current Year Total) for the title insurance company issuing the title insurance policy.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.4 Determination of projected values for title insurance

The Commissioner, in consultation with the advisory organizations, shall, no less frequently than annually, determine and publish the following factors:

(a) *the projected number of preliminary report transactions, consisting of the total preliminary report transactions multiplied by the transactions growth factor raised to the quantity the number of months between the midpoint of the historical period and the midpoint of the effective period divided by 12;*

(b) *the projected number of title insurance transactions, consisting of the total title insurance transactions multiplied by the transactions growth factor raised to the quantity the number of months between the midpoint of the historical period and the midpoint of the effective period divided by 12;*

(c) *the projected title plant maintenance component (TitlePlantMaint), consisting of*

(1) *the corrected total title plant maintenance cost*

(2) *divided by the projected number of preliminary report transactions;*

(d) *the projected preliminary report taxes, licenses, and fees component (PRTLTF), consisting of*

- ratio of
- (1) *the adjusted total taxes, licenses, and fees; multiplied by the*
 - (2) *total underwritten title company retained title insurance premium to total revenue;*
 - (3) *divided by the projected number of preliminary report transactions;*
- (dd) *the projected preliminary report facility rent (PRRent), calculated as*
- (1) *the adjusted total facility rent;, multiplied by the ratio of*
 - (2) *total preliminary report related full-time equivalent workers, as specified in Section 2357.3(c); to total full-time equivalent workers; divided by.*
 - (3) *the projected number of preliminary report transactions.*
- (e) *the projected search, examination, and underwriting component (SrchExamUw), consisting of*
- (1) *the adjusted total search, examination, and underwriting costs*
 - (2) *divided by the total amount of insurance multiplied by the quantity the market value growth factor raised to the number of months from the midpoint of the historical period to the midpoint of the effective period divided by 12;*
- (f) *the projected preliminary report production and delivery component (PrelimRptProdDeliv), consisting of*
- (1) *the adjusted total preliminary report production and delivery cost*
 - (2) *divided by the total amount of insurance multiplied by the market value growth factor raised to the quantity the number of months from the midpoint of the historical period to the midpoint of the effective period divided by 12;*
- (g) *the projected preliminary report overhead component (PrelimRptOH), consisting of*

- (1) *the adjusted total overhead*
 - (2) *multiplied by the ratio of the total undewritten title company retained title insurance premium to total revenue;*
 - (3) *divided by the total amount of insurance multiplied by the market value growth factor raised to the quantity the number of months from the midpoint of the historical period to the midpoint of the effective period divided by 12;*
- (h) *the projected policy issuance and maintenance component (PolIssMaint), consisting of*
- (1) *the adjusted total policy issuance and maintenance cost*
 - (2) *divided by the total amount of insurance multiplied by the market value growth factor raised to the quantity the number of months from the midpoint of the historical period to the midpoint of the effective period divided by 12;*
- (i) *the projected loss component (Loss), equal to the total title loss and loss adjustment factor in section 2357.3 (ai).*
- (j) *the projected policy taxes, licenses, and fees component (PolTLF), consisting of*
- (1) *the adjusted total taxes, licenses, and fees, multiplied by the ratio*
 - (2) *total title insurance company retained title insurance premium to total revenue;*
 - (3) *divided by the projected total number of title insurance transactions;*
- (k) *the projected title policy facility rent (PolRent) consisting of*
- (1) *the projected total facility rent; multiplied by the ratio of*
 - (2) *total title insurance policy related full-time equivalent workers to total full-time equivalent workers; divided by*

- (3) *divided by the projected total number of title insurance transactions;*
- (l) *the projected policy overhead component (PolOH), consisting of*
 - (1) *the projected totaloverhead, multiplied by the ratio of*
 - (2) *total title insurance company retained title insurance premium retained to total revenue;*
 - (3) *divided by the total amount of insurance multiplied by the market value growth factor raised to the quantity the number of months from the midpoint of the historical period to the midpoint of the effective period divided by 12.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.5 *Maximum title insurance charge for a policy*

- (a) *The maximum title insurance charge for a given policy ($MaxTIC_{policy}$) means*
- (1) *the maximum average title insurance charge for the amount of insurance ($MaxTIC_{amt}$), as specified in section 2357.6, divided by*
 - (2) *the average title policy class relativity ($ClassRel_{avg}$), as specified in section 2357.3, multiplied by*
 - (3) *the class relativity for the policy ($ClassRel_{policy}$), as specified in section 2357.17.*

Stated as an equation,

$$MaxTIC_{policy} = \frac{MaxTIC_{amt}}{ClassRel_{avg}} * ClassRel_{policy}$$

- (b) *Notwithstanding the foregoing, the charge for a concurrent policy shall not exceed \$25 plus \$0.10 per page, exclusive of reasonable charges for any inspection required in the ordinary course of business solely for the concurrent policy. For purposes of this section,*

the concurrent policy or policies shall be any policy for which the maximum title insurance charge pursuant to this section is less than another policy issued at the same time, disregarding the concurrency.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.

Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.6 Maximum average title insurance charge

(a) “Maximum average title insurance charge” for a given amount of insurance means

(1) the sum of

(A) the preliminary report charge (*PrelimRpprtChg*), as specified in section 2357.7,

(B) plus the policy charge (*PolicyChg*), as specified in section 2357.13,

(2) divided by

(A) 1 minus

(B) the product of

(i) the premium tax rate (*PremTaxR*), as specified in section 2357.15, multiplied by

(ii) the title insurer retention rate (*RetnR*), as specified in section 2357.16.

Stated as an equation,

$$\mathbf{MaxTIC_{amt} = \frac{PrelimRpprtChg + PolicyChg}{1 - (PremTaxR + RetnR)}}$$

(b) *Where the transaction results in issuance of a policy, the charge shall include the preliminary report charge and the policy charge, and no additional charge for the preliminary report may be made.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.7 Preliminary report charge

“Preliminary report charge” for a given amount of insurance (PrelimRptChg_{amt}) means

- (a) *the sum of*
- (1) *the title plant maintenance component (TitlePlantMaint);*
 - (2) *the preliminary report taxes, licenses, and fees component (PRTLTF);*
 - (3) *the preliminary report facility rent component (PRRent); plus*
 - (4) *the amount of insurance (Amt) multiplied by the sum of*
 - (A) *the search, examination, and underwriting component (SrchExamUw),*
 - (B) *the preliminary report production and delivery component (PRProdDeliv), and*
 - (C) *the preliminary report overhead component (PROH),*
- (b) *divided by the quantity*
- (1) *1; less*
 - (2) *the profit factor (Profit), as specified in section 2357.8, divided by the state and federal income tax factor (SFIT), as specified in section 2357.10, plus*

(3) the investment income factor (*InvInc*), as specified in section 2357.11, less

(4) the sales cost factor (*Sls*), as specified in section 2357.12.

Stated as an equation,

$$\text{Profit} = \frac{\text{Title Plant} + \text{PRILF} + \text{PRRent} + \text{Amt} * (\text{StchExamUw} + \text{PRProdDeltv} + \text{PROE})}{1 - \frac{\text{Profit}}{\text{SPTI}} + \text{InvInc} - \text{Sls}}$$

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.8 Profit factor

“Profit factor” means

(a) the maximum rate of return (*ROR*), as specified in section 2357.9,

(b) multiplied by the net worth to revenue ratio (*Capital*), as specified in section 2357.3.

Stated as an equation

$$\text{Profit} = \text{ROR} * \text{Capital}$$

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.9 Maximum rate of return

“Maximum rate of return” (*ROR*) means

(a) the average return on short, medium and long-term U.S. Treasury bonds for the most recent three months

(b) *plus 6 percent, which the Commissioner finds represents the long-term risk-premium for investments presenting risks to investors comparable to the risks in investing in the title-insurance business.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.10 State and federal income tax factor

“State and federal income tax factor” means 1 minus the sum of the federal income tax rate and the state income tax rate.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.11 Investment income factor

“Investment income factor” (InvInc) means the product of

(1) *the sum of*

(A) *the investment income yield, and*

(B) *the capital gains yield, times*

(2) *the sum of*

(A) *the reserves to revenue ratio, and*

(B) *the net worth to revenue ratio*

as those quantities are calculated from the most recent results reported for the statistical plan.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.12 *Sales cost factor*

“Sales cost factor” means 15 percent, which the Commissioner finds to be a reasonable cost for salaries and commissions for sales, other acquisition expenses, and customer service expenses.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.

Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.13 *Maximum policy charge*

“Policy charge” for a given amount of insurance ($PolicyChg_{amt}$) means

(a) the sum of

(1) the policy taxes, licenses, and fees component ($PolTLF$);

(2) the title policy facility rent component ($PolRent$); and

(3) the amount of insurance multiplied by the sum of

(A) the policy issuance and maintenance component
($PolIssMaint$);

(B) the loss and loss adjustment component ($Loss$);
and

(C) the policy overhead component ($PolOH$)

(b) divided by the sum of

(1) 1 less

(2) the profit factor ($Profit$), as specified in section 2357.8,
divided by the federal income tax factor (FIT), as specified in section 2357.14, plus

(3) the investment income factor ($InvInc$), as specified in
section 2357.11; less

(4) the sales charge factor, as specified in section 2357.12.

Stated as an equation,

$$PolicyChg_{amt} = \frac{PolTLF + PolRent + Amt * (PolIssMaint + Loss + PolOH)}{1 - \frac{Profit}{FIT} + InvInc - SLs}$$

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.14 Federal income tax factor

“Federal income tax factor” means 1 minus the federal income tax rate, as specified in section 2357.3.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.15 Premium tax rate

“Premium tax rate” means the state premium tax rate pursuant to Revenue and Tax Section 12202.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.16 Retention rate

“Retention rate” (RR) means

(a) individual title insurance company retained premium, as specified in section 2357.3, divided by

(b) individual title insurance company gross premium as specified in section 2357.3.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.17 Relativities

“Class relativity for a policy” means the product of all the relativities listed in the following table that are applicable to the policy.

Relativity for		Relativity
<i>Policy form</i>	<i>CLTA Standard Coverage Policy - Owner</i>	<i>1.00</i>
	<i>CLTA Standard Coverage Policy - Lender</i>	<i>0.80</i>
	<i>CLTA Expanded Coverage Residential Loan Policy</i>	<i>1.15</i>
	<i>CLTA Homeowners Policy</i>	<i>1.10</i>
	<i>ALTA Owners (Full Extended Coverage) Policy - Buyer</i>	<i>1.20</i>
	<i>ALTA Owners (Full Extended Coverage) Policy - Lender</i>	<i>1.00</i>
	<i>ALTA Expanded Coverage Residential Loan Policy</i>	<i>1.15</i>
	<i>ALTA Short Form Expanded Coverage Residential Loan Policy</i>	<i>1.10</i>
	<i>CLTA and ALTA Homeowners Policy</i>	<i>1.10</i>
	<i>CLTA Form 119.5 – Leasehold-Owners</i>	<i>1.00</i>
	<i>CLTA Form 119.6 – Leasehold-Loan</i>	<i>1.00</i>
	<i>CLTA Form 101 Mechanics Lien Priority Insurance Coverage</i>	<i>1.10</i>

Relativity for		Relativity
<i>Recency</i>	<i>Ordered >60 months from last previous policy issued by any title insurer</i>	<i>1.00</i>
	<i>Ordered within 60 months of last previous policy issued by any title insurer – Owner</i>	<i>0.80</i>
	<i>Ordered within 60 months of last previous policy issued by any title insurer – Lender</i>	<i>0.64</i>
<i>Sale/Refinance</i>	<i>Sale of new or existing home</i>	<i>1.00</i>
	<i>Refinancing of home – CLTA Policy</i>	<i>0.55</i>
	<i>Refinancing of home – ALTA Policy</i>	<i>0.65</i>
<i>Subdivision</i>	<i>Not first sale of parcel after land subdivided</i>	<i>1.00</i>
	<i>First sale of parcel after land subdivided - 2 to 20 units</i>	<i>0.70</i>
	<i>First sale of parcel after land subdivided - >20 units</i>	<i>0.55</i>

(b) *A title insurer may employ any relativity it chooses so long as the resulting charge for a policy does not exceed the maximum title insurance charge for that policy pursuant to section 2357.6 and does not exceed any applicable interim maximum rate pursuant to section 2357.19.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.18 *Endorsements*

(a) *“Endorsement factor for a policy” means 1 multiplied by the product of each of the factors listed in the following table that are applicable to the policy.*

Endt #	Description	Policy Form	Relativity
100	<i>Restrictions, Easements, Minerals</i>	<i>Lender ALTA</i>	<i>1.00</i>
100.1	<i>Restrictions, Easements, Minerals</i>	<i>Lender CLTA</i>	<i>1.20</i>
100.2	<i>Restrictions, Easements, Minerals</i>	<i>Lender ALTA</i>	<i>1.00</i>
ALTA 9	<i>Restrictions, Easements, Minerals</i>	<i>Lender ALTA</i>	<i>1.00</i>
100.4	<i>Present Violation of Particular CC&R's</i>	<i>Lender ALTA</i>	<i>1.05</i>
100.4	<i>Present Violation of Particular CC&R's</i>	<i>Lender CLTA</i>	<i>1.10</i>
100.5	<i>Present Violation of Particular CC&R's</i>	<i>Owner ALTA</i>	<i>1.05</i>
100.5	<i>Present Violation of Particular CC&R's</i>	<i>Owner CLTA</i>	<i>1.20</i>
100.6	<i>Present or Future Violation of CC&R's</i>	<i>Owner ALTA</i>	<i>1.05</i>
100.6	<i>Present or Future Violation of CC&R's</i>	<i>Owner CLTA</i>	<i>1.20</i>
100.7	<i>Present Violation of Particular CC&R's</i>	<i>Owner ALTA</i>	<i>1.05</i>
100.7	<i>Present Violation of Particular CC&R's</i>	<i>Owner CLTA</i>	<i>1.20</i>
100.8	<i>Present or Future Violation of CC&R's</i>	<i>Owner ALTA</i>	<i>1.05</i>
101.8	<i>Present or Future Violation of CC&R's</i>	<i>Owner CLTA</i>	<i>1.20</i>
102.8	<i>Present or Future Violation of CC&R's</i>	<i>Lender ALTA</i>	<i>1.10</i>
100.9	<i>Restrictions, Encroachments, Minerals - Unimproved land</i>	<i>Owner ALTA</i>	<i>1.10</i>
ALTA 9.1	<i>Restrictions, Encroachments, Minerals - Unimproved land</i>	<i>Owner CLTA</i>	<i>1.10</i>
100.10	<i>Restrictions, Encroachments, Minerals - Improved land</i>	<i>Owner ALTA</i>	<i>1.15</i>
ALTA 9.2	<i>Restrictions, Encroachments, Minerals - Improved land</i>	<i>Owner CLTA</i>	<i>1.15</i>
100.12	<i>Reverter, Right of Re-entry of Power of Termination in CC&R's Not Enforceable</i>	<i>Lender ALTA</i>	<i>1.015</i>
100.13	<i>Lien of Assessment in CC&R's Subordinate to Insured Mortgage</i>	<i>Lender ALTA</i>	<i>1.015</i>
100.17	<i>Modification of Restrictions is Proper</i>	<i>Owner ALTA</i>	<i>1.20</i>
101.17	<i>Modification of Restrictions is Proper</i>	<i>Owner CLTA</i>	<i>1.20</i>
102.17	<i>Modification of Restrictions is Proper</i>	<i>Lender ALTA</i>	<i>1.10</i>
103.17	<i>Modification of Restrictions is Proper</i>	<i>Lender CLTA</i>	<i>1.10</i>
100.18	<i>Exercise of Reverter, Right of Re-entry of Power of Termination in CC&R's & Unmarketability</i>	<i>Lender ALTA</i>	<i>1.015</i>
101.18	<i>Exercise of Reverter, Right of Re-entry of Power of Termination in CC&R's & Unmarketability</i>	<i>Lender CLTA</i>	<i>1.015</i>
100.19	<i>No Present Violations of CC&R's</i>	<i>Owner ALTA</i>	<i>1.025</i>
101.19	<i>No Present Violations of CC&R's</i>	<i>Owner CLTA</i>	<i>1.20</i>
102.19	<i>No Present Violations of CC&R's</i>	<i>Lender ALTA</i>	<i>1.025</i>
103.19	<i>No Present Violations of CC&R's</i>	<i>Lender CLTA</i>	<i>1.10</i>
100.20	<i>Enforcement of CC&R's based on Present Value</i>	<i>Owner ALTA</i>	<i>1.025</i>
101.20	<i>Enforcement of CC&R's based on Present Value</i>	<i>Owner CLTA</i>	<i>1.20</i>
102.20	<i>Enforcement of CC&R's based on Present Value</i>	<i>Lender ALTA</i>	<i>1.025</i>
103.20	<i>Enforcement of CC&R's based on Present Value</i>	<i>Lender CLTA</i>	<i>1.10</i>

Endt #	Description	Policy Form	Relativity
100.21	Approval of Plans & Specifications Required by CC&R's	Owner ALTA	1.20
101.21	Approval of Plans & Specifications Required by CC&R's	Owner CLTA	1.20
102.21	Approval of Plans & Specifications Required by CC&R's	Lender ALTA	1.025
103.21	Approval of Plans & Specifications Required by CC&R's	Lender CLTA	1.10
100.23	Right of Surface Entry Under Oil Lease	Lender ALTA	1.025
101.23	Right of Surface Entry Under Oil Lease	Lender CLTA	1.025
100.24	Lessee Does Not Have Right to Use the Surface	Owner ALTA	1.10
101.24	Lessee Does Not Have Right to Use the Surface	Owner CLTA	1.10
102.24	Lessee Does Not Have Right to Use the Surface	Lender ALTA	1.10
103.24	Lessee Does Not Have Right to Use the Surface	Lender CLTA	1.10
100.25	Subsurface Oil Drilling Does Not Violate CC&R's	Lessee: S	1.20
101.25	Subsurface Oil Drilling Does Not Violate CC&R's	CLTA	1.20
102.25	Subsurface Oil Drilling Does Not Violate CC&R's	Lender ALTA	1.20
100.26	Damage to Improvements Resulting From Right to Use Surface (FHA)	Owner ALTA	1.10
101.26	Damage to Improvements Resulting From Right to Use Surface (FHA)	Owner CLTA	1.20
102.26	Damage to Improvements Resulting From Right to Use Surface (FHA)	Lender ALTA	1.10
103.26	Damage to Improvements Resulting From Right to Use Surface (FHA)	Lender CLTA	1.10
100.27	Present Violation of CC&R's	Lender ALTA	1.05
100.28	Violation of Particular Provisions of CC& R's by Future Construction	Owner ALTA	1.20
101.28	Violation of Particular Provisions of CC& R's by Future Construction	Owner CLTA	1.20
102.28	Violation of Particular Provisions of CC& R's by Future Construction	Lender ALTA	1.10
103.28	Violation of Particular Provisions of CC& R's by Future Construction	Lender CLTA	1.10
100.29	Mineral Rights - Damage to Improvements	Owner ALTA	1.10
101.29	Mineral Rights - Damage to Improvements	Owner CLTA	1.20
102.29	Mineral Rights - Damage to Improvements	Lender ALTA	1.10
103.29	Mineral Rights - Damage to Improvements	Lender CLTA	1.10
101	M/L Priority Insurance	Lender CLTA	1.10
101.1	M/L Insurance After Notice of Completion	Owner ALTA	1.20

Endt #	Description	Policy Form	Relativity
102.1	M/L Insurance After Notice of Completion	Owner CLTA	1.20
103.1	M/L Insurance After Notice of Completion	Lender ALTA	1.20
104.1	M/L Insurance After Notice of Completion	Lender CLTA	1.20
101.1-A	M/L Insurance After Notice of Completion DVA	Owner ALTA	1.10
101.1-A	M/L Insurance After Notice of Completion DVA	Owner CLTA	1.10
101.2	M/L Insurance After Notice of Completion	Lender ALTA	1.10
102.2	M/L Insurance After Notice of Completion	Lender CLTA	1.10
101.3	M/L Insurance After Notice of Completion	Lender ALTA	1.10
102.3	M/L Insurance After Notice of Completion	Lender CLTA	1.10
101.4	M/L Insurance After Notice of Completion	Owner ALTA	1.10
102.4	M/L Insurance After Notice of Completion	Owner CLTA	1.20
103.4	M/L Insurance After Notice of Completion	Lender ALTA	1.10
104.4	M/L Insurance After Notice of Completion	Lender CLTA	1.10
101.5	M/L Insurance - Notice of Completion regular & Liens Listed; Liability Limited to Specific Amount	Lender All Policies where End. 101 is not used	1.025
101.6	M/L Insurance - Notice of Completion regular & Liens Listed; Liability Limited to Specific Amount	Lender All Policies where End. 101 is used	1.025
101.8	Work of Improvement Financed by Insured Mortgage	Lender ALTA	1.10
102.8	Work of Improvement Financed by Insured Mortgage	Lender CLTA	1.10
101.9	M/L Insurance - Notice of Completion describes Specific Work of Improvement on Only a Portion of Land Covered by Policy	Owner ALTA	1.20
102.9	M/L Insurance - Notice of Completion describes Specific Work of Improvement on Only a Portion of Land Covered by Policy	Owner CLTA	1.20
103.9	M/L Insurance - Notice of Completion describes Specific Work of Improvement on Only a Portion of Land Covered by Policy	Lender ALTA	1.10
104.9	M/L Insurance - Notice of Completion describes Specific Work of Improvement on Only a Portion of Land Covered by Policy	Lender CLTA	1.10
101.10	M/L Insurance - Notice of Completion describes Specific Work of Improvement on Only a Portion of Land Covered by Policy	Owner ALTA	1.20
102.10	M/L Insurance - Notice of Completion describes Specific Work of Improvement on Only a Portion of Land Covered by Policy	Owner CLTA	1.10
103.10	M/L Insurance - Notice of Completion describes Specific Work of Improvement on Only a Portion of Land Covered by Policy	Lender ALTA	1.10
104.10	M/L Insurance - Notice of Completion describes Specific Work of Improvement on Only a Portion of Land Covered by Policy	Lender CLTA	1.10

Endt #	Description	Policy Form	Relativity
101.11	<i>M/L Insurance - As to Only a Portion of Land Covered by Policy - No Notice of Completion</i>	Owner ALTA	1.20
102.11	<i>M/L Insurance - As to Only a Portion of Land Covered by Policy - No Notice of Completion</i>	Owner CLTA	1.10
103.11	<i>M/L Insurance - As to Only a Portion of Land Covered by Policy - No Notice of Completion</i>	Lender ALTA	1.10
104.11	<i>M/L Insurance - As to Only a Portion of Land Covered by Policy - No Notice of Completion</i>	Lender CLTA	1.10
101.12	<i>M/L Insurance - As to Only a Portion of Land Covered by Policy - No Notice of Completion</i>	Owner ALTA	1.20
102.12	<i>M/L Insurance - As to Only a Portion of Land Covered by Policy - No Notice of Completion</i>	Owner CLTA	1.20
103.12	<i>M/L Insurance - As to Only a Portion of Land Covered by Policy - No Notice of Completion</i>	Lender ALTA	1.10
104.12	<i>M/L Insurance - As to Only a Portion of Land Covered by Policy - No Notice of Completion</i>	Lender CLTA	1.10
101.13	<i>M/L Insurance After Notice of Completion</i>	Owner ALTA	1.20
102.13	<i>M/L Insurance After Notice of Completion</i>	Owner CLTA	1.10
103.13	<i>M/L Insurance After Notice of Completion</i>	Lender ALTA	1.10
104.13	<i>M/L Insurance After Notice of Completion</i>	Lender CLTA	1.10
101.14	<i>Construction</i>	Lender ALTA	1.10
101.15	<i>Mechanics Lien, Completed Work of Improvement</i>	Lender ALTA	1.10
101.16	<i>Mechanics Lien, Notice of Completion</i>	Lender ALTA	1.10
101.17	<i>Mechanics Lien, Completed Work of Improvement</i>	Lender ALTA	1.10
101.18	<i>Mechanics Lien, Notice of Completion</i>	Lender ALTA	1.10
102.4	<i>Foundations Are Within Boundary Lines, Do Not Violate CC&R's</i>	Lender ALTA	1.10
103.4	<i>Foundations Are Within Boundary Lines, Do Not Violate CC&R's</i>	Lender CLTA	1.10
102.5	<i>Foundations Are Within Boundary Lines, Do Not Violate CC&R's, No Encroachment Onto Easements</i>	Lender ALTA	1.15
103.5	<i>Foundations Are Within Boundary Lines, Do Not Violate CC&R's, No Encroachment Onto Easements</i>	Lender CLTA	1.15
102.6	<i>Foundations Are Within Boundary Lines, Do Not Violate CC&R's</i>	Lender ALTA	1.10
103.6	<i>Foundations Are Within Boundary Lines, Do Not Violate CC&R's</i>	Lender CLTA	1.10
102.7	<i>Foundations Are Within Boundary Lines, Do Not Violate CC&R's, No Encroachment Onto Easements</i>	Lender ALTA	1.15
103.7	<i>Foundations Are Within Boundary Lines, Do Not Violate CC&R's, No Encroachment Onto Easements</i>	Lender CLTA	1.15

Endt #	Description	Policy Form	Relativity
103.1	<i>Exercise of Right of Use or Maintenance of Easement</i>	Owner ALTA	1.20
104.1	<i>Exercise of Right of Use or Maintenance of Easement</i>	Owner CLTA	1.20
105.1	<i>Exercise of Right of Use or Maintenance of Easement</i>	Lender ALTA	1.025
106.1	<i>Exercise of Right of Use or Maintenance of Easement</i>	Lender CLTA	1.10
103.3	<i>Forced Removal of Improvements Which Encroach into Easements</i>	Owner ALTA	1.20
104.3	<i>Forced Removal of Improvements Which Encroach into Easements</i>	Owner CLTA	1.20
105.3	<i>Forced Removal of Improvements Which Encroach into Easements</i>	Lender ALTA	1.025
106.3	<i>Forced Removal of Improvements Which Encroach into Easements</i>	Lender CLTA	1.10
103.4	<i>Insured Easement provides ingress & egress</i>	Owner ALTA	1.20
104.4	<i>Insured Easement provides ingress & egress</i>	Owner CLTA	1.20
105.4	<i>Insured Easement provides ingress & egress</i>	Lender ALTA	1.10
106.4	<i>Insured Easement provides ingress & egress</i>	Lender CLTA	1.10
103.5	<i>Water Rights - Damage to Improvements</i>	Owner ALTA	1.20
104.5	<i>Water Rights - Damage to Improvements</i>	Owner CLTA	1.20
105.5	<i>Water Rights - Damage to Improvements</i>	Lender ALTA	1.10
106.5	<i>Water Rights - Damage to Improvements</i>	Lender CLTA	1.10
103.6	<i>No Encroachment onto Specific Easement</i>	Owner ALTA	1.10
104.6	<i>No Encroachment onto Specific Easement</i>	Owner CLTA	1.10
105.6	<i>No Encroachment onto Specific Easement</i>	Lender ALTA	1.10
106.6	<i>No Encroachment onto Specific Easement</i>	Lender CLTA	1.10
103.7	<i>Land Abuts Existing Street</i>	Owner ALTA	1.10
104.7	<i>Land Abuts Existing Street</i>	Owner CLTA	1.20
105.7	<i>Land Abuts Existing Street</i>	Lender ALTA	1.10
106.7	<i>Land Abuts Existing Street</i>	Lender CLTA	1.10
103.8	<i>Water Rights - Damage to Existing or Future Improvements (FHA)</i>	Owner ALTA	1.10
104.8	<i>Water Rights - Damage to Existing or Future Improvements (FHA)</i>	Owner CLTA	1.10
105.8	<i>Water Rights - Damage to Existing or Future Improvements (FHA)</i>	Lender ALTA	1.10
106.8	<i>Water Rights - Damage to Existing or Future Improvements (FHA)</i>	Lender CLTA	1.10
103.9	<i>Forced Removal of Encroachments onto Public Street</i>	Owner ALTA	1.10
104.9	<i>Forced Removal of Encroachments onto Public Street</i>	Owner CLTA	1.10
105.9	<i>Forced Removal of Encroachments onto Public Street</i>	Lender ALTA	1.10

Endt #	Description	Policy Form	Relativity
106.9	<i>Forced Removal of Encroachments onto Public Street</i>	<i>Lender CLTA</i>	<i>1.10</i>
103.10	<i>Surface Owner Insurer Against Use of Surface by Owner of Land Below the Horizontal Division of Land</i>	<i>Owner ALTA</i>	<i>1.20</i>
104.10	<i>Surface Owner Insurer Against Use of Surface by Owner of Land Below the Horizontal Division of Land</i>	<i>Owner CLTA</i>	<i>1.20</i>
105.10	<i>Surface Owner Insurer Against Use of Surface by Owner of Land Below the Horizontal Division of Land</i>	<i>Lender ALTA</i>	<i>1.20</i>
106.10	<i>Surface Owner Insurer Against Use of Surface by Owner of Land Below the Horizontal Division of Land</i>	<i>Lender CLTA</i>	<i>1.20</i>
103.11	<i>Access & Entry</i>	<i>Owner ALTA</i>	
104.11	<i>Access & Entry</i>	<i>Owner CLTA</i>	<i>1.25</i>
105.11	<i>Access & Entry</i>	<i>Lender ALTA</i>	<i>1.15</i>
106.11	<i>Access & Entry</i>	<i>Lender CLTA</i>	<i>1.15</i>
103.12	<i>Indirect Access & Entry</i>	<i>Owner ALTA</i>	<i>1.25</i>
104.12	<i>Indirect Access & Entry</i>	<i>Owner CLTA</i>	<i>1.25</i>
105.12	<i>Indirect Access & Entry</i>	<i>Lender ALTA</i>	<i>1.25</i>
106.12	<i>Indirect Access & Entry</i>	<i>Lender CLTA</i>	<i>1.15</i>
104	<i>Assignment of Beneficial Interest</i>	<i>Lender ALTA</i>	<i>1.30</i>
104A	<i>Assignment of Beneficial Interest</i>	<i>Lender CLTA</i>	<i>1.25</i>
104.1	<i>Assignment of Beneficial Interest</i>	<i>Lender ALTA</i>	<i>1.25</i>
105.1	<i>Assignment of Beneficial Interest</i>	<i>Lender CLTA</i>	<i>1.15</i>
104.4	<i>Collateral Assignment of Beneficial Interest</i>	<i>Lender ALTA</i>	<i>1.15</i>
105.4	<i>Collateral Assignment of Beneficial Interest</i>	<i>Lender CLTA</i>	<i>1.15</i>
104.6	<i>Assignment of Lessor's Interest in Lease - No Defect in Execution, No Prior Assignment</i>	<i>Lender ALTA</i>	<i>1.05</i>
104.7	<i>No Prior Assignment of Rents</i>	<i>Lender ALTA</i>	<i>1.05</i>
105.7	<i>No Prior Assignment of Rents</i>	<i>Lender CLTA</i>	<i>1.05</i>
104.8	<i>Assignment of Beneficial Interest</i>	<i>Lender ALTA</i>	<i>1.30</i>
104.9	<i>Assignment of Beneficial Interest</i>	<i>Lender CLTA</i>	<i>1.25</i>
104.10	<i>Assignment of Beneficial Interest</i>	<i>Lender ALTA</i>	<i>1.25</i>
105.10	<i>Assignment of Beneficial Interest</i>	<i>Lender CLTA</i>	<i>1.25</i>
104.11	<i>Collateral Assignment of Beneficial Interest</i>	<i>Lender ALTA</i>	<i>1.25</i>
105.11	<i>Collateral Assignment of Beneficial Interest</i>	<i>Lender CLTA</i>	<i>1.25</i>
104.12	<i>Assignment of Beneficial Interest</i>	<i>Lender ALTA</i>	<i>1.25</i>
104.13	<i>Assignment of Beneficial Interest</i>	<i>Lender ALTA</i>	<i>1.30</i>
105	<i>Insuring Two of More Deeds of Trust</i>	<i>Lender ALTA</i>	<i>1.10</i>
105.1	<i>Insuring Two of More Deeds of Trust</i>	<i>Lender CLTA</i>	<i>1.10</i>
106	<i>State of California - Abutters Rights</i>	<i>Owner CLTA</i>	<i>1.045</i>
106C	<i>State of California - Abutters Rights</i>	<i>Owner CLTA</i>	<i>1.045</i>
106C	<i>State of California - Abutters Rights</i>	<i>Owner ALTA</i>	<i>1.015</i>
106.1	<i>State of California - Abutters Rights</i>	<i>Owner CLTA</i>	<i>1.05</i>
107.1	<i>State of California - Abutters Rights</i>	<i>Owner ALTA</i>	<i>1.00</i>

Endt #	Description	Policy Form	Relativity
106.1C	State of California - Abutters Rights	Owner CLTA	1.05
106.1C	State of California - Abutters Rights	Owner ALTA	1.00
106.2	State of California - Abutters Rights	Owner CLTA	1.06
106.2C	State of California - Abutters Rights	Owner CLTA	1.04
106.2C	State of California - Abutters Rights	Owner ALTA	1.01
107.1	Allocation of Liability	All Policies	1.02
107.2	Increased Liability	All Policies	1.00
107.4	To whom and in what priority loss is payable	All Policies	1.025
107.5	Improvements Included in Policy Coverage for Purposes of Establishing Damages	LenderLeasehold	1.025
107.9	Adding a Named Insured	All Policies	1.05
107.10	Adding a Named Insured	All Policies	1.05
107.11	When Mortgagee has also acquired a Fee Interest	Lender ALTA	1.10
108.7	Additional Advance	Owner ALTA	1.00
109.7	Additional Advance	Owner CLTA	1.00
110.7	Additional Advance	Lender ALTA	1.00
111.7	Additional Advance	Lender CLTA	1.65
108.8	Additional Advance	Owner ALTA	1.65
109.8	Additional Advance	Owner CLTA	1.65
110.8	Additional Advance	Lender ALTA	1.70
111.8	Additional Advance	Lender CLTA	1.00
108.9	Additional Advance - D.V.A	Owner ALTA	1.00
109.9	Additional Advance - D.V.A	Owner CLTA	1.80
110.9	Additional Advance - D.V.A	Lender ALTA	1.00
111.9	Additional Advance - D.V.A	Lender CLTA	1.00
108.10	Additional Advance - Revolving Credit	Lender CLTA	1.60
109.10	Additional Advance - Revolving Credit	Lender ALTA	1.70
109	No Transfer of Lessor's Benefits in Community Lease	Owner ALTA	1.10
110	No Transfer of Lessor's Benefits in Community Lease	Owner CLTA	1.20
111	No Transfer of Lessor's Benefits in Community Lease	Lender ALTA	1.10
112	No Transfer of Lessor's Benefits in Community Lease	Lender CLTA	1.20
110.1	Exception Deleted	Owner ALTA	1.20
111.1	Exception Deleted	Owner CLTA	1.20
112.1	Exception Deleted	Lender ALTA	1.10
113.1	Exception Deleted	Lender CLTA	1.10
110.3	Mineral Interest owner's right of surface entry conveyed to owner of the surface	Owner ALTA	1.10
111.3	Mineral Interest owner's right of surface entry conveyed to owner of the surface	Owner CLTA	1.20
112.3	Mineral Interest owner's right of surface entry conveyed to owner of the surface	Lender ALTA	1.10

Endt #	Description	Policy Form	Relativity
113.3	Mineral Interest owner's right of surface entry conveyed to owner of the surface	Lender CLTA	1.10
110.4	Modification of Deed of Trust - Specific Provision Quoted (no priority coverage)	Lender ALTA	1.15
110.5	Modification of Deed of Trust	Lender ALTA	1.35
110.6	Modification of Deed of Trust	Lender CLTA	1.25
110.7	Insurance against Enforcement of Lien of Encumbrance	Owner ALTA	1.10
111.7	Insurance against Enforcement of Lien of Encumbrance	Owner CLTA	1.10
112.7	Insurance against Enforcement of Lien of Encumbrance	Lender ALTA	1.10
113.7	Insurance against Enforcement of Lien of Encumbrance	Lender CLTA	1.10
110.9	Priority over Environmental Protection Lien	Owner ALTA	1.025
ALTA 8.1	Priority over Environmental Protection Lien	Owner CLTA	1.025
110.9	Priority over Environmental Protection Lien	Lender ALTA	1.025
ALTA 8.1	Priority over Environmental Protection Lien	Lender CLTA	1.025
110.10	Modification of Deed of Trust and Additional Advance	Lender ALTA	1.30
110.11 ALTA 11	Mortgage Modification		1.00
111	Partial Reconveyance, No Impairments	Lender ALTA	1.10
112	Partial Reconveyance, No Impairments	Lender CLTA	1.10
111.1	Partial Reconveyance, No Impairments - alternate form	Lender ALTA	1.10
112.1	Partial Reconveyance, No Impairments - alternate form	Lender CLTA	1.10
111.2	Mortgage Priority, Subordination	Owner ALTA	1.10
112.2	Mortgage Priority, Subordination	Owner CLTA	1.10
113.2	Mortgage Priority, Subordination	Lender ALTA	1.10
114.2	Mortgage Priority, Subordination	Lender CLTA	1.10
111.3	Mortgage Priority, Encroachment, Address	Lender ALTA	1.20
112.3	Mortgage Priority, Encroachment, Address	Lender CLTA	1.20
111.4	Housing & Urban Development End.	Lender ALTA	1.10
112.4	Housing & Urban Development End.	Lender CLTA	1.10
111.5	Variable Rate Mortgage	Lender ALTA	1.00
ALTA 6	Variable Rate Mortgage	Lender CLTA	1.00
111.6	Variable Rate Mortgage	Lender ALTA	1.00
ALTA 6.1	Variable Rate Mortgage	Lender CLTA	1.00
111.7	Variable rate mortgage	Lender ALTA	1.025
111.8	Variable rate mortgage	Lender ALTA	1.00
ALTA 6.2	Variable rate mortgage	Lender CLTA	1.00
111.9	FNMA Balloon Mortgage	Lender ALTA	1.025
112.9	FNMA Balloon Mortgage	Lender CLTA	1.00
111.10	Revolving Credit Loan	Lender ALTA	1.025
112.10	Revolving Credit Loan	Lender CLTA	1.025

Endt #	Description	Policy Form	Relativity
111.11	Revolving Credit Loan	Lender ALTA	1.025
112.11	Revolving Credit Loan	Lender CLTA	1.025
111.14	Future Advance- Priority	Lender ALTA	1.05
112.14	Future Advance- Priority	Lender CLTA	1.00
112	Bondholders Policy	Lender CLTA	1.025
112.1	Bondholders Policy	Lender ALTA	1.025
113.1	Bondholders Policy	Lender CLTA	1.00
112.2	Bondholders Policy	Lender CLTA	1.025
113.2	Bondholders Policy	Lender ALTA	1.00
114	Co-insurance	Owner/Lender All Policies	1.00
114.1	Co-insurance - joint and several liability	Owner/Lender All Policies	1.00
114.2	Co-insurance - joint and several liability, proportioned loss	Owner/Lender All Policies	1.00
115	Condominium in fee	Owner All Policies	1.025
116	Condominium in fee	Lender All Policies	1.025
115.1	Condominium	Lender ALTA	1.00
ALTA 4	Condominium	Lender ALTA	1.00
115.2	Planned Unit Development	Lender ALTA	1.00
ALTA 5	Planned Unit Development	Lender ALTA	1.00
116	Designation of improvements, common address, location and dimensions	Lender ALTA	1.10
116.1	Land described in policy is same as shown on survey	Owner ALTA	1.10
117.1	Land described in policy is same as shown on survey	Owner CLTA	1.20
118.1	Land described in policy is same as shown on survey	Lender ALTA	1.025
119.1	Land described in policy is same as shown on survey	Lender CLTA	1.10
116.2	Designation of improvements, common address, project boundary dimensions (condominiums)	Owner ALTA	1.00
117.2	Designation of improvements, common address, project boundary dimensions (condominiums)	Owner CLTA	1.20
118.2	Designation of improvements, common address, project boundary dimensions (condominiums)	Lender ALTA	1.10
119.2	Designation of improvements, common address, project boundary dimensions (condominiums)	Lender CLTA	1.10
116.3	Description after map recorded	Owner ALTA	1.20
117.3	Description after map recorded	Owner CLTA	1.20
118.3	Description after map recorded	Lender ALTA	1.10
119.3	Description after map recorded	Lender CLTA	1.10

Endt #	Description	Policy Form	Relativity
116.4	Contiguous parcels	Owner ALTA	1.20
117.4	Contiguous parcels	Owner CLTA	1.20
118.4	Contiguous parcels	Lender ALTA	1.10
119.4	Contiguous parcels	Lender CLTA	1.10
116.5	Manufactured Housing Unit	Owner ALTA	1.025
ALTA 7	Manufactured Housing Unit	Owner CLTA	1.025
117.5	Manufactured Housing Unit	Lender ALTA	1.025
ALTA 8	Manufactured Housing Unit	Lender CLTA	1.025
116.6	Manufactured Housing Unit	Owner ALTA	1.025
117.6	Manufactured Housing Unit	Owner CLTA	1.025
118.6	Manufactured Housing Unit	Lender ALTA	1.025
119.6	Manufactured Housing Unit	Lender CLTA	1.025
116.7	Subdivision Map Act	Owner ALTA	1.10
117.7	Subdivision Map Act	Owner CLTA	1.10
118.7	Subdivision Map Act	Lender ALTA	1.10
119.7	Subdivision Map Act	Lender CLTA	1.10
117	Aggregation	Lender ALTA	1.10
119	Validity of lease	Owner ALTA	1.10
120	Validity of lease	Owner CLTA	1.10
121	Validity of lease	Lender ALTA	1.20
122	Validity of lease	Lender CLTA	1.20
119.1	Adds leasehold exceptions to Schedule B	Owner CLTA	1.025
120.1	Adds leasehold exceptions to Schedule B	Lender CLTA	1.025
121.1	Adds leasehold exceptions to Schedule B	Lender ALTA	1.00
119.2	Validity of lease	Owner ALTA	1.10
120.2	Validity of lease	Owner CLTA	1.10
121.2	Validity of lease	Lender ALTA	1.20
122.2	Validity of lease	Lender CLTA	1.10
119.3	Circuitry of lien makes priority doubtful	Owner ALTA	1.10
120.3	Circuitry of lien makes priority doubtful	Owner CLTA	1.10
121.3	Circuitry of lien makes priority doubtful	Lender ALTA	1.10
122.3	Circuitry of lien makes priority doubtful	Lender CLTA	1.10
119.4	Bondholders - valid sublease binding at commencement of term	Owner CLTA	1.025
120.4	Bondholders - valid sublease binding at commencement of term	Lender CLTA	1.025
120.2	Deed of trust subordinate to lease	Lessee Oil Leasehold	1.20
122	Priority of advance over intervening matters	Lender ALTA	1.10
123	Priority of advance over intervening matters	Lender CLTA	1.10
122.2	Priority of advance over intervening matters	Lender ALTA	1.10
122.2	Priority of advance over intervening matters	Lender CLTA	1.10
122.2	Priority of advance over intervening matters	Lender ALTA	1.10
122.4	Obligatory Advances	Lender ALTA	1.10
123.1 ALTA 3	Zoning - vacant land	Owner All Policies	1.10

Endt #	Description	Policy Form	Relativity
123.1 ALTA 4	Zoning - vacant land	Lender All Policies	1.10
123.2 ALTA 3.1	Zoning - improved land	Owner All Policies	1.10
123.2 ALTA 3.1	Zoning - improved land	Lender All Policies	1.15
124.1	Affirmative and negative covenants in deeds or agreements except leases are binding	Owner ALTA	1.20
125.1	Affirmative and negative covenants in deeds or agreements except leases are binding	Owner CLTA	1.20
126.1	Affirmative and negative covenants in deeds or agreements except leases are binding	Lender ALTA	1.20
127.1	Affirmative and negative covenants in deeds or agreements except leases are binding	Lender CLTA	1.10
124.2	Lessor's affirmative covenants	Lessee All	1.20
125.2	Lessor's affirmative covenants	Lender All	1.10
124.3	Lessor's negative covenants	Lessee All	1.20
125.3	Lessor's negative covenants	Lender All	1.10
125	Truth in lending right of rescission	Lender ALTA	1.10
125.1	Truth in lending right of rescission	Lender CLTA	1.10
126	Access, mechanic's liens, restrictions, easements, minerals, zoning	Owner ALTA	1.00
127	Access, mechanic's liens, restrictions, easements, minerals, zoning	Owner CLTA	1.025
126.1	Access, mechanic's liens, restrictions, easements, minerals, zoning	Owner ALTA	1.00
127.1	Access, mechanic's liens, restrictions, easements, minerals, zoning	Owner CLTA	1.025
126.2	Access, mechanic's liens, restrictions, easements, minerals, zoning	Owner ALTA	1.00
127.2	Access, mechanic's liens, restrictions, easements, minerals, zoning	Owner CLTA	1.00
126.3	Access, mechanic's liens, restrictions, easements, minerals, zoning	Owner ALTA	1.025
127.3	Access, mechanic's liens, restrictions, easements, minerals, zoning	Owner CLTA	1.025

(b) A title insurer may employ any endorsement factor it chooses so long as the resulting charge for a policy does not exceed the maximum title insurance charge for that policy pursuant to section 2357.6 and does not exceed any applicable interim maximum title insurance rate pursuant to section 2357.19.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2357.19 Interim maximum title insurance rates

(a) (1) Except as provided in subdivision (e) of this section, commencing on October 1, 2009, no title insurance company may use any rate that produces premium charges for title-insurance policies, for endorsements, or for other charges that are computed on the basis of the amount of insurance or computed as a percentage of the basic premium, that exceeds the interim maximum title insurance rate ($InterimMaxTitleRate$), defined as the product of

(A) the premium that the title insurance company would have charged for the same policy, including endorsements and other charges, for the same transaction type, based on rates in effect for the title insurance company on December 31, 2000 ($2000TitleRate_{TransType}$), multiplied by

(B) 1 plus

(i) the title interim rate reduction for the transaction type ($TitleInterimReduction_{TransType}$) specified in subdivision (a)(2) of this section, multiplied by

(ii) the sales price adjustment factor for the transaction type ($SPAF_{TransType}$) specified in subdivision (b) of this section.

Stated as a formula, the interim maximum title insurance rate effective October 1, 2009 is:

$$InterimMaxTitleRate = 2000TitleRate_{TransType} * (1 + TitleInterimReduction_{TransType} * SPAF_{TransType})$$

(2) The title interim rate reduction for the specified transaction type is defined as the value from the following table corresponding to the transaction type:

Transaction Type	Title Interim Rate Reduction
<i>Title Purchase</i>	-25.6%
<i>Title Non-Purchase Refinance</i>	-9.8%
<i>Title Non-Purchase Other-Than-Refinance</i>	-15.4%

(b) (1) The sales price adjustment factor is defined as follows, subject to the limitation that for a calculated amount less than or equal to 0 the value 0 shall be used and that for a calculated amount greater than 1 the value 1 shall be used:

(A) the quantity

(i) the sum of

(I) 0.9375 multiplied by 2000-2009 inflation factor (*InflationFactor*), defined as the change in the consumer price index series SUUR0000SA0, not seasonally adjusted from June 2000 to May 2009 multiplied by the change in this consumer price index from June 2008 to May 2009, plus

(II) 0.0625 multiplied by 2000-2009 change in transaction size (*ChangeTransSize*), defined as the ratio of the most current California Association of Realtors forecast of median existing single-family home sales price for 2009 to \$241,350,

(ii) divided by the sum of 1 plus the quantity

(I) the premium/transaction factor for the type of transaction (*PremTransFactor_{TransType}*), as specified, in subdivision (b)(2) of this section, multiplied by

(II) the 2000-2009 change in transaction size (*ChangeTransSize*) minus 1,

(iii) minus 1,

(B) multiplied by the quantity

(i) 1 divided by

(ii) the title interim rate reduction for the transaction type (*TitleInterimReduction_{TransType}*).

Stated as a formula:

$$SPAF_{TransType} = \left(\frac{.9375 * InflationFactor + .0625 * ChangeTransSize}{1 + (ChangeTransSize - 1) * PremTransFactor_{TransType}} - 1 \right) * \left(\frac{1}{TitleInterimReduction_{TransType}} \right)$$

(2) The premium/transaction factor for a specific transaction type means the value from the following table corresponding to the transaction type:

<i>Transaction Type</i>	<i>Premium/Transaction Factor</i>
<i>Title Purchase</i>	0.45854
<i>Title Non-Purchase Refinance</i>	0.24935
<i>Title Non-Purchase Other-Than-Refinance</i>	0.31655

(3) *The Commissioner shall publish the values of the sales price adjustment factor for title insurance on or before August 1, 2009.*

(c) *Every title insurance company shall, no later than September 1, 2009, make a rate filing in conformance with this section covering the rates to be used on and after October 1, 2009.*

(1) *To the extent that a title insurance company intends to issue a policy or coverage or to provide a service for which it had no filed rate on December 31, 2000, it shall identify that policy, coverage, or service in its rate filing made pursuant to this section and shall demonstrate that the rate or charge is consistent with the rate-reduction mandated by this section.*

(2) *If a title insurance company has filed rate reductions effective on or after January 1, 2001, and the resulting rates are no greater than the maximum interim rates as specified in subdivisions (a) and (b) of this section, the title insurance company has satisfied the rate reduction requirements of subdivisions (a) and (b) with respect to those rates. If a title insurance company has filed rate reductions effective on or after January 1, 2001, and the resulting rates are greater than the maximum interim rates as specified in subdivisions (a) and (b), the title insurance company shall further reduce rates to satisfy the requirements of subdivisions (a) and (b) with respect to those rates. If a title insurance company has not changed rates or has increased rates effective on or after January 1, 2001, the title insurance company shall reduce its rates to satisfy the requirements of subdivisions (a) and (b) of this section.*

(3) *Nothing in this section shall preclude a title insurer or underwritten title company from filing a rate at any other time, provided that the rates comply with the applicable provisions of this section and with all other applicable provisions of law. Every policy that is subject to the provisions of subdivisions (a) or (b) of this section shall be reduced to a level no greater than that prescribed in those subdivisions. Failure to reduce an existing rate on any policy or service to the level prescribed by this section shall not be excused by a greater-than-specified reduction of other rates.*

(d) *The rate for each policy form and for each endorsement and other title service computed on the basis of the amount of insurance or computed as a percentage of the*

basic premium must satisfy the requirements of subdivisions (a), (b) and (c). Each title insurance company shall adjust its rates as necessary to ensure that the premium charge for a particular policy and transaction does not exceed the amount the title insurer would have charged for that policy and transaction based on rates in effect on December 31, 2000 less the relevant interim rate reduction percentage.

(e) The provisions of subdivisions (a) through (d) of this section shall not become operative if the Commissioner has, by August 1, 2009, published all of the projection factors specified in section 2357.4 and all of the totals specified in section 2357.3. The provisions of section 2357.6 shall not be operative until the Commissioner determines and publishes all of the projection factors specified in section 2355.4 and all of the totals specified in section 2357.3, at which time subdivisions (a) through (d) of this section shall cease to be operative.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

SUBARTICLE 4.

REGULATION OF RATES FOR ESCROW AND SUBESCROW SERVICES

Section 2358.1 *Scope*

The provisions of this article apply to the provision of and charges for full escrow and subescrow services by a title insurance company, an underwritten title company, or a controlled escrow company for residential property transactions.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2358.2 *Determination of escrow totals*

The Commissioner shall, in consultation with the advisory organizations, determine and publish annually the calculated total and corrected total for each of the following quantities. The calculated and corrected totals are produced in the same manner with one exception – the calculated totals are produced with data as reported while the corrected totals are produced with data as corrected by the Commissioner. In the following sections, instructions for producing calculated totals are presented. The corrected totals are produced in the same manner with the exception of using corrected data, instead of reported data, in the calculation.

- (a) *Total full-time equivalent workers, computed as the sum of*
 - (1) *total preliminary report related full-time equivalent workers;*
 - (2) *total title insurance policy related full-time equivalent*
workers;
 - (3) *total escrow related full-time equivalent workers; and*
 - (4) *total subescrow related full-time equivalent workers.*
- (b) *Total preliminary report related full-time equivalent workers, computed*
as the sum of
 - (1) *the sum of Report TI04, lines TI04.01 (Title*
Search/Examination), TI04.02 (Title Plant Maintenance), TI04.03 (Preliminary Report

Issuance) and TI04.12 (Courier and Delivery – Preliminary Reports); Column TI04.E (Total Full-Time Equivalent Workers); and

(2) the sum of Report UTC04, lines UTC04.01 (Title Search/Examination) , UTC04.02 (Title Plant Maintenance), UTC04.03 (Preliminary Report Issuance) and UTC04.12 (Courier and Delivery – Preliminary Reports); Column UTC04.E (Total Full-Time Equivalent Workers).

(c) Total title insurance policy related full-time equivalent workers, computed as the sum, for all reporting companies, of

(1) the sum of Report TI04, lines TI04.04 (Title Policy Issuance) , TI04.05 (Title Claims) and TI04.13 (Courier and Delivery – Title Policy); Column TI04.E (Total Full-Time Equivalent Workers); and

(2) the sum of Report UTC04, lines UTC04.04 (Title Policy Issuance), UTC04.05 (Title Claims) and UTC04.13 (Courier and Delivery – Title Policy); Column UTC04.E (Total Full-Time Equivalent Workers).

(d) Total escrow related full-time equivalent workers, computed as the sum, for all reporting companies, of

(1) the sum of Report TI04, lines TI04.09 (Escrow Document Production and Execution), TI04.10 (Escrow Claims Settlement), TI04.11 (Recording of Documents), TI04.14 (Courier and Delivery – Escrow) and TI04.16 (Funds Transfer); Column TI04.E (Total Full-Time Equivalent Workers); and

(2) the sum of Report UTC04, lines UTC04.09 (Escrow Document Production and Execution), UTC04.10 (Escrow Claims Settlement), UTC04.11 (Recording of Documents), UTC04.14 (Courier and Delivery – Escrow) and UTC04.16 (Funds Transfer); Column UTC04.E (Total Full-Time Equivalent Workers); less

(3) total subescrow full-time equivalent workers.

(e) Total subescrow related full-time equivalent workers, computed as the product of

(1) the sum, for all reporting companies, of

(A) the sum of Report TI04, line TI04.16 (Funds Transfer), Column TI04.E (Total Full-Time Equivalent Workers); and

(B) *the sum of Report UTC.04, line UTC04.16 (Funds Transfer), Column UTC04.E (Total Full-Time Equivalent Workers);*

(2) *multiplied by the ratio of*

(A) *one-tenth of the total subescrow transactions time;*

to

(B) *the sum of*

(i) *total escrow transactions; and*

(ii) *one-tenth of the total subescrow*

transactions.

(f) *Total revenue, computed as the sum of*

(1) *total title insurance premium;*

(2) *total escrow charges;*

(3) *total subescrow charges; and*

(4) *total other service revenue.*

(g) *Total title insurance premium, computed as the sum, for all reporting companies, of Report TI03, Line TI03.1 (Gross Written Title Premium) , Column TI03.D (California Current Year).*

(h) *Total escrow charges, computed as the sum, for all reporting companies, of*

(1) *Report TI03, Line TI03.04 (Escrow Fees), Column TI03.D (California Current Year); and*

(2) *Report UTC03, Line UTC03.04 (Escrow Fees), Column UTC03.D (California Current Year).*

(i) *Total subescrow charges, computed as the sum, for all reporting companies, of*

(1) *Report TI03, Line TI03.05 (Subescrow Fees), Column TI03.D (California Current Year); and*

(2) *Report UTC03, Line UTC03.05 (Subescrow Fees), Column UTC03.D (California Current Year).*

(j) *Total other service revenue, computed as the sum, for all reporting companies, of*

(1) *Report TI03, Line TI03.08 (Other Services), Column TI03.D (California Current Year); and*

(2) *Report UTC03, Line UTC03.08 (Other Services), Column UTC03.D (California Current Year).*

(k) *Total underwritten title company retained title insurance premium, computed as the sum, for all reporting companies, of Report TI03, Line TI03.12 (Title Premium Retained by or Remitted to Underwritten Title Companies), Column TI03.D (California Current Year).*

(l) *Total title insurance company retained title insurance premium, computed as the sum, for all reporting companies, of*

(1) *total title insurance premium, less*

(2) *total underwritten title company retained title insurance premium.*

(m) *total preliminary report related other service revenue, computed as the sum, for all reporting companies, of*

(1) *Report TI08, Column TI08.F (Other Service Charge) for those records in which the entry in Column TI08.F (Other Service Charge) is 1 (Preliminary Report Related); and*

(2) *Report UTC08, Column UTC08.F (Other Service Charge) for those records in which the entry in Column UTC08.F (Other Service Charge) is 1 (Preliminary Report Related).*

(n) *Total title policy issuance related other service revenue, computed as the sum, for all reporting companies, of*

(1) *Report TI08, Column TI08.F (Other Service Charge) for those records in which the entry in Column TI08.F (Other Service Charge) is 2 (Title Policy Issuance Related); and*

(2) *Report UTC08, Column UTC08.F (Other Service Charge) for those records in which the entry in Column UTC08.F (Other Service Charge) is 2 (Title Policy Issuance Related).*

(o) *Total escrow related other service revenue, computed as the sum, for all reporting companies, of*

(1) *Report TI08, Column TI08.F (Other Service Charge) for those records in which the entry in Column TI08.F (Other Service Charge) is 3 (Escrow Related); and*

(2) *Report UTC08, Column UTC08.F (Other Service Charge) for those records in which the entry in Column UTC08.F (Other Service Charge) is 3 (Escrow Related).*

(p) *Total escrow value, computed as the sum, for all reporting companies, of*

(1) *Report TI05, all lines (records), Column TI05.E (Amount of Escrow); and*

(2) *Report UTC05, all lines (records), Column UTC05.E (Amount of Escrow).*

(q) *Total escrow transactions, computed as the sum, for all reporting companies, of*

(1) *the count of records in Report TI01 in which the entry in Column TI01.D (Type of Title and Escrow Transaction) is either 1 (Title and Escrow) or 4 (Escrow Only) and the entry in Column TI01.M (Date Order Opened) is on or after the first day of the year reported in Column TI01.B (Reporting Year); and*

(2) *the count of all records in Report UTC01 in which the entry in Column UTC01.D (Type of Title and Escrow Transaction) is either 1 (Title and Escrow) or 4 (Escrow Only) and the entry in Column UTC01.M (Date Order Opened) is on or after the first day of the year reported in Column UTC01.B (Reporting Year).*

(r) *Total subescrow transactions, computed as the sum, for all reporting companies, of*

(1) *the count of all records in Report TI01 in which the entry in Column TI01.D (Type of Title and Escrow Transaction) is either 2 (Title and Subescrow) or 5 (Subescrow Only); and*

(2) *the count of all records in Report UTC01 in which the entry in Column UTC01.D (Type of Title and Escrow Transaction) is either 2 (Title and Subescrow) or 5 (Subescrow Only).*

(s) *Total taxes, licenses, and fees, computed as the sum, for all reporting companies, of*

(1) *Report TI03, lines TI03.62 (Licenses, Fees, Taxes Other Than Income and Premium), Column TI03.D (California Current Year, Report); and*

(2) *Report UTC03, lines UTC03.62 (Licenses, Fees, Taxes Other Than Income and Premium), Column UTC03.D (California Current Year).*

(t) *Total facility rent, computed as*

(1) *the quantity,*

(A) *the sum, for all reporting companies, of*

(i) *Report TI03, lines TI03.52 (Facility Rent, Depreciation and Amortization), Column TI03.D (California Current Year, Report); and*

(ii) *Report UTC03, lines UTC03.52 (Facility Rent, Depreciation and Amortization), Column UTC03.D (California Current Year);*

(B) *less the sum, for all reporting companies, of*

(i) *Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.52 (Facility Rent, Depreciation and Amortization); and*

(ii) *Report UTC07, Column UTC07.H for all lines in which the entry in Column TIUTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated*

Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.52 (Facility Rent, Depreciation and Amortization);

(2) multiplied by the ratio of

(A) the sum, for all reporting companies, of

(i) total title insurance premium;

(ii) total escrow charges; and

(iii) total subescrow charges;

(B) to total operating revenue for all reporting companies.

(u) Total overhead, computed as

(1) the sum, for all reporting companies, of

(A) Report TI03, Lines TI03.46 (Messenger, Overnight and Delivery Service – Other), TI03.51 (Travel and Travel Items Other Than Sales, Marketing and Customer Service), TI03.53 (Equipment Rent), TI03.54 (Data Processing Services and Software), TI03.55 (Printing/Stationery/ Supplies), TI03.56 (Telephone / Utilities), TI03.57 (Postage and Freight), TI03.58 (Accounting /Auditor Fees), TI03.59 (Director Fees), TI03.60 (Legal Fees), TI03.61 (Management Fees), TI03.64 (Depreciation / Amortization Other Than Real Estate and Buildings), TI03.65 (Bad Debt Expense), TI03.66 (Insurance), TI03.69 (Trade Associations and Advisory Organizations), TI03.70 (Dues / Subscriptions Other than Trade and Advisory Organizations) and TI03.72 (Aggregate Write-Ins for Other Expenses), Column TI03.D (California Current Year);

(B) Report TI04, Lines TI04.06 (General Management) and TI04.15 (Courier and Delivery – Other), Column TI04.M (Total Personnel Costs);

(C) Report UTC03, Lines UTC03.46 (Messenger, Overnight and Delivery Service – Other), UTC03.51 (Travel and Travel Items Other Than Sales, Marketing and Customer Service), UTC03.53 (Equipment Rent), UTC03.54 (Data Processing Services and Software), UTC03.55 (Printing/Stationery/ Supplies), UTC03.56 (Telephone / Utilities), UTC03.57 (Postage and Freight), UTC03.58 (Accounting /Auditor Fees), UTC03.59 (Director Fees), UTC03.60 (Legal Fees), UTC03.61 (Management Fees), UTC03.64 (Depreciation / Amortization Other Than Real Estate and Buildings), UTC03.65 (Bad

Debt Expense), UTC03.66 (Insurance), UTC03.69 (Trade Associations and Advisory Organizations), UTC03.70 (Dues / Subscriptions Other than Trade and Advisory Organizations) and UTC03.72 (Aggregate Write-Ins for Other Expenses), Column UTC03.D (California Current Year);

(D) Report TI04, Lines TI04.06 (General Management) and TI04.15 (Courier and Delivery – Other), Column TI04.M (Total Personnel Costs);

(2) less the sum, for all reporting companies, of

(A) Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.46 (Messenger, Overnight and Delivery Service – Other), TI03.51 (Travel and Travel Items Other Than Sales, Marketing and Customer Service), TI03.53 (Equipment Rent), TI03.54 (Data Processing Services and Software), TI03.55 (Printing/Stationery/ Supplies), TI03.56 (Telephone / Utilities), TI03.57 (Postage and Freight), TI03.58 (Accounting /Auditor Fees), TI03.59 (Director Fees), TI03.60 (Legal Fees), TI03.61 (Management Fees), TI03.64 (Depreciation / Amortization Other Than Real Estate and Buildings), TI03.65 (Bad Debt Expense), TI03.66 (Insurance), TI03.69 (Trade Associations and Advisory Organizations), TI03.70 (Dues / Subscriptions Other than Trade and Advisory Organizations), TI03.72 (Aggregate Write-Ins for Other Expenses) TI04.06 (General Management) or TI04.15 (Courier and Delivery – Other);

(B) Report UTC07, Column UTC07.H for all lines in which the entry in Column TIUTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.46 (Messenger, Overnight and Delivery Service – Other), UTC03.51 (Travel and Travel Items Other Than Sales, Marketing and Customer Service), UTC03.53 (Equipment Rent), UTC03.54 (Data Processing Services and Software), UTC03.55 (Printing/Stationery/ Supplies), UTC03.56 (Telephone / Utilities), UTC03.57 (Postage and Freight), UTC03.58 (Accounting /Auditor Fees), UTC03.59 (Director Fees), UTC03.60 (Legal Fees), UTC03.61 (Management Fees), UTC03.64 (Depreciation / Amortization Other Than Real Estate and Buildings), UTC03.65 (Bad Debt Expense), UTC03.66 (Insurance), UTC03.69 (Trade Associations and Advisory Organizations), UTC03.70 (Dues / Subscriptions Other than Trade and Advisory Organizations), UTC03.72 (Aggregate Write-Ins for Other Expenses) UTC04.06 (General Management) or UTC04.15 (Courier and Delivery – Other).

(v) Total escrow document production and execution, computed as

(1) the quantity

(A) *the sum, for all reporting companies, of*

(i) *Report TI03, Lines TI03.38 (Notary Fees), Column TI03.D (California Current Year);*

(ii) *Report TI04, Line TI04.09 (Escrow Document Production and Execution), Column TI04.M (Total Personnel Costs);*

(iii) *Report UTC03, Lines UTC03.38 (Notary Fees), Column UTC03.D (California Current Year); and*

(iv) *Report UTC04, Line UTC04.09 (Escrow Document Production and Execution), Column UTC04.M (Total Personnel Costs);*

(B) *less the sum, for all reporting companies, of*

(i) *Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.38 (Notary Fees) or TI04.09 (Escrow Document Production and Execution); and*

(ii) *Report UTC07, Column UTC07.H for all lines in which the entry in Column UTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.38 (Notary Fees) or UTC04.09 (Escrow Document Production and Execution);*

(2) *multiplied by the ratio of*

(A) *total escrow charges*

(B) *to the sum, for all reporting companies, of*

(i) *total escrow charges; and*

(ii) *total escrow related other service*

revenue.

(w) *Total escrow funds transfer, computed as*

(1) *the quantity,*

(A) *the sum, for all reporting companies, of*

(i) *Report TI03, line TI03.37 (Funds Transfer), Column TI03.D (California Current Year);*

(ii) *Report TI04, Line TI04.16 (Funds Transfer), Column TI04.M (Total Personnel Costs);*

(iii) *Report UTC03, line UTC03.37 (Funds Transfer), Column UTC03.D (California Current Year); and*

(iv) *Report UTC04, Line UTC04.16 (Funds Transfer), Column UTC04.M (Total Personnel Costs);*

(B) *less the sum, for all reporting companies, of*

(i) *Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.37 (Funds Transfer) or TI04.16 (Funds Transfer); and*

(ii) *Report UTC07, Column UTC07.H for all lines in which the entry in Column UTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.37 (Funds Transfer) or UTC04.16 (Funds Transfer);*

(2) *multiplied by the ratio of*

(A) *total escrow transactions*

(B) *to the sum of*

(i) *total escrow transactions; and*

(ii) *one-tenth of total subescrow transactions.*

(x) *total subescrow funds transfer, computed as*

(1) *the quantity*

(A) *the sum, for all reporting companies, of*

(i) *Report TI03, line TI03.37 (Funds Transfer), Column TI03.D (California Current Year);*

(ii) *Report TI04, Line TI04.16 (Funds Transfer), Column TI04.M (Total Personnel Costs);*

(iii) *Report UTC03, line UTC03.37 (Funds Transfer), Column UTC03.D (California Current Year); and*

(iv) *Report UTC04, Line UTC04.16 (Funds Transfer), Column UTC04.M (Total Personnel Costs);*

(B) *less the sum of*

(i) *Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.37 (Funds Transfer) or TI04.16 (Funds Transfer); and*

(ii) *Report UTC07, Column UTC07.H for all lines in which the entry in Column UTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.37 (Funds Transfer) or UTC04.16 (Funds Transfer);*

(2) *multiplied by the ratio of*

(A) *one-tenth of total subescrow transactions*

(B) *to the sum of*

(i) *total escrow transactions; and*

(ii) *one-tenth of total subescrow transactions.*

(y) *total escrow delivery and recording cost, computed as*

(1) *the quantity*

(A) *the sum, for all reporting companies, of*

(i) *Report TI03, Lines TI03.42 (Recording Fees and Costs) and TI03.45 (Messenger, Overnight and Delivery Services – Escrow), Column TI03.D (California Current Year);*

(ii) *Report TI04, Lines TI04.11 (Recording of Documents) and TI04.14 (Courier and Delivery – Escrow), Column TI04.M (Total Personnel Costs);*

(iii) *Report UTC03, Lines UTC03.42 (Recording Fees and Costs), UTC03.45 (Messenger, Overnight and Delivery Services – Escrow), Column UTC03.D (California Current Year); and*

(iv) *Report UTC04, Lines UTC04.11 (Recording of Documents) and UTC04.14 (Courier and Delivery – Escrow), Column UTC04.M (Total Personnel Costs);*

(B) *less the sum, for all reporting companies, of*

(i) *Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.42 (Recording Fees and Costs), TI03.45 (Messenger, Overnight and Delivery Services – Escrow); TI04.11 (Recording of Documents) or TI04.14 (Courier and Delivery – Escrow); and*

(ii) *Report UTC07, Column UTC07.H for all lines in which the entry in Column UTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.42 (Recording Fees and Costs), UTC03.45 (Messenger, Overnight and Delivery Services – Escrow); UTC04.11 (Recording of Documents) or UTC04.14 (Courier and Delivery – Escrow);*

(2) *multiplied by the ratio of*

(A) *total escrow charges*

(B) *to the sum, for all reporting companies, of*

(i) *total escrow charges and*

(ii) *total escrow related other service revenue.*

(z) *Total escrow loss factor, computed as*

(1) *the quantity*

(A) *the sum, for all reporting companies, of*

(i) *Report TI03, Lines TI03.31 (Total Escrow Loss and Loss Settlement Expense), Column TI03.D (California Current Year);*

(ii) *Report TI04, Line TI04.10 (Escrow Claims Settlement), Column TI04.M (Total Personnel Costs);*

(iii) *Report UTC03, lines UTC03.31 (Total Escrow Loss and Loss Settlement Expense), Column UTC03.D (California Current Year); and*

(iv) *Report UTC04, Line UTC04.10 (Escrow Claims Settlement), Column UTC04.M (Total Personnel Costs)*

(B) *less the sum, for all reporting companies, of*

(i) *Report TI07, Column TI07.H for all lines in which the entry in Column TI07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column TI07.E is 1 (Expense) and the entry in Column TI07.G is TI03.31 (Total Escrow Loss and Loss Settlement Expense) or TI04.10 (Escrow Claims Settlement); and*

(ii) *Report UTC07, Column UTC07.H for all lines in which the entry in Column UTC07.D is 1 (Affiliated Licensee) or 3 (Non-Affiliated Licensee), the entry in Column UTC07.E is 1 (Expense) and the entry in Column UTC07.G is UTC03.31 (Total Escrow Loss and Loss Settlement Expense) or UTC04.10 (Escrow Claims Settlement);*

(2) *divided by*

(A) *total escrow value for all reporting companies.*

(aa) *Federal income tax rate, computed as the ratio of*

(1) *the sum, for all reporting companies, of*

(A) Report TII2, row TII2.14 (Federal Income Tax), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California), and

(B) Report UTC12, row UTC12.14 (Federal Income Tax), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California);

(2) to the sum, for all reporting companies, of

(A) Report TII2, row TII2.12 (Net Income Before Taxes), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California), and

(B) Report UTC12, row UTC12.12 (Net Income Before Taxes), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California).

(ab) State income tax rate, computed as the ratio of

(1) the sum, for all reporting companies, of

(A) the sum of Report TII2, row TII2.13 (State Income Tax), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California), and

(B) the sum of Report UTC12, row UTC12.13 (State Income Tax), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California);

(2) to the sum, for all reporting companies, of

(A) the sum of Report TII2, row TII2.12 (Net Income Before Taxes), columns TII2.B (Current Year – California), TII2.C (First Prior Year –

California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California), and

(B) the sum of Report UTC12, row UTC12.12 (Net Income Before Taxes), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California).

(ac) Investment income yield, computed as the ratio of

(1) the sum, for all reporting companies, of

(A) Report TII2, row TII2.09 (Net Investment Income), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California) and TII2.D (Second Prior Year – California), and

(B) Report UTC12, row UTC12.09 (Net Investment Income), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California) and UTC12.D (Second Prior Year – California);

(2) to the sum, for all reporting companies, of

(A) one-half of Report TII2, row TII2.27 (Total Reserves and Equity), columns TII2.B (Current Year – California) and TII2.E (Third Prior Year – California);

(B) Report TII2, row TII2.27 (Total Reserves and Equity), columns TII2.C (First Prior Year – California) and TII2.D (Second Prior Year – California);

(C) one-half of Report UTC12, row UTC12.27 (Total Reserves and Equity), columns UTC12.B (Current Year – California) and UTC12.E (Third Prior Year – California); and

(D) Report UTC12, row UTC12.27 (Total Reserves and Equity), columns UTC12.C (First Prior Year – California) and UTC12.D (Second Prior Year – California).

(ad) Capital gain yield, computed as the ratio of

(1) the sum, for all reporting companies, of

(A) Report TII2, lines TII2.10 (Realized Capital Gains) and TII2.11 (Unrealized Capital Gains), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California) and TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California);

(B) Report UTC12, row UTC12. 10 (Realized Capital Gains) and UTC12.11 (Unrealized Capital Gains), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California) and UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California);

(2) to the sum of

(A) one-half of Report TII2, row TII2.27 (Total Reserves and Equity), columns TII2.B (Current Year – California) and TII2.G (Fifth Prior Year – California);

(B) Report TII2, row TII2.27 (Total Reserves and Equity), columns TII2.C (First Prior Year – California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California);

(C) one-half of Report UTC12, row UTC12.27 (Total Reserves and Equity), columns UTC12.B (Current Year – California) and UTC12.G (Fifth Prior Year – California); and

(D) Report UTC12, row UTC12.27 (Total Reserves and Equity), columns UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California).

(ae) Reserves to revenue ratio, computed as the ratio of

(1) the sum, for all reporting companies, of

(A) one-half of Report TII2, row TII2.22 (Total Reserves), columns TII2.B (Current Year – California) and TII2.G (Fifth Prior Year – California);

(B) Report TII2, row TII2.22 (Total Reserves), columns TII2.C (First Prior Year – California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California);

(C) one-half of Report UTC12, row UTC12.22 (Total Reserves), columns UTC12.B (Current Year – California) and UTC12.G (Fifth Prior Year – California); and

(D) Report UTC12, row UTC12.22 (Total Reserves), columns UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California); to

(2) the sum, for all reporting companies, of

(A) Report TII2, row TII2.06 (Total Operating Revenue), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California) and TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California); and

(B) Report UTC12, row UTC12.06 (Total Operating Revenue), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California) and UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California).

(af) Net worth to revenue ratio, computed as

(1) the sum, for all reporting companies, of

(A) one-half of Report TII2, row TII2.26 (Total Equity), columns TII2.B (Current Year – California) and TII2.G (Fifth Prior Year – California);

(B) Report TII2, row TII2.26 (Total Equity), columns TII2.C (First Prior Year – California), TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California);

(C) one-half of Report UTC12, row UTC12.26 (Total Equity), columns UTC12.B (Current Year – California) and UTC12.G (Fifth Prior Year – California); and

(D) Report UTC12, row UTC12.26 (Total Equity), columns UTC12.C (First Prior Year – California), UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California);

(2) to the sum of

(A) Report TII2, row TII2.06 (Total Operating Revenue), columns TII2.B (Current Year – California), TII2.C (First Prior Year – California) and TII2.D (Second Prior Year – California), TII2.E (Third Prior Year – California) and TII2.F (Fourth Prior Year – California);

(B) Report UTC12, row UTC12.06 (Total Operating Revenue), columns UTC12.B (Current Year – California), UTC12.C (First Prior Year – California) and UTC12.D (Second Prior Year – California), UTC12.E (Third Prior Year – California) and UTC12.F (Fourth Prior Year – California).

(ag) average escrow class relativity, computed as the ratio of

(1) the sum, for all reporting companies, of

(A) Report TI05, Column TI05.F (Basic Escrow Charge), all rows, and

(B) Report UTC05, Column UTC05.F (Basic Escrow Charge), all rows, to

(2) the sum, for all reporting companies, of

(A) Report TI05, Column TI05.L (Total Escrow Charge), all rows, and

(B) Report UTC05, Column UTC05.L (Total Escrow Charge), all rows.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2358.3 *Determination of projected values for escrow*

The Commissioner shall, in consultation with the advisory organizations, no less frequently than annually, determine and publish the following factors:

(a) *the projected number of escrow transactions, consisting of the adjusted total escrow transactions multiplied by the transactions growth factor raised to the quantity the number of months between the midpoint of the historical period and the midpoint of the effective period divided by 12;*

(b) *the projected number of subescrow transactions, consisting of the adjusted total subescrow transactions multiplied by the transactions growth factor raised to the quantity the number of months between the midpoint of the historical period and the midpoint of the effective period divided by 12;*

(c) *the projected amount of escrow value, consisting of the adjusted total escrow value multiplied by the market value growth factor raised to the quantity the number of months from the midpoint of the historical period to the midpoint of the effective period divided by 12;*

(d) *the projected escrow document production and execution component (EsDoc), consisting of*

cost divided by (1) *the adjusted total escrow document production and execution*

(2) *the projected amount of escrow value;*

(e) *the projected escrow funds transfer component (EsFunds), consisting of*

(1) *the adjusted total escrow funds transfer cost; divided by*

(2) *the projected amount of escrow value;*

(f) *the projected subescrow funds transfer component, consisting of*

(1) *the corrected subescrow-related funds transfer; divided by*

(2) *the projected number of subescrow transactions;*

- (g) *the projected escrow delivery and recording component (EsDeliv), consisting of*
- (1) *the adjusted total escrow delivery and recording cost*
 - (2) *divided by the projected amount of escrow value;*
- (h) *the projected escrow overhead component (EsOH), consisting of*
- (1) *the adjusted total overhead, multiplied by the ratio of*
 - (2) *total escrow charges to total revenue; divided by*
 - (3) *the projected amount of escrow value;*
- (i) *the projected subescrow overhead component (SubEsOH), consisting of*
- (1) *the adjusted total overhead, multiplied by the ratio of*
 - (2) *total escrow charges to total revenue; divided by*
 - (3) *the projected number of subescrow transactions;*
- (j) *the projected escrow facility rent component (EsRent), consisting of*
- (1) *the corrected facility rent, multiplied by the ratio of*
 - (2) *total escrow related full-time equivalent workers to total full-time equivalent workers; divided by*
 - (3) *the projected number of escrow transactions;*
- (k) *the projected subescrow facility rent component (SubEsRent), consisting of*
- (1) *the corrected facility rent,*
 - (2) *multiplied by the ratio of total subescrow related full-time equivalent workers to total full-time equivalent workers,*
 - (3) *divided by the projected number of escrow transactions;*

- (l) *the projected subescrow taxes licenses fees component (SubTLF),*
consisting of
 - (1) *the adjusted total subescrow taxes licenses fees,*
 - (2) *divided by the projected number of subescrow transactions;*
- (m) *the projected subescrow rent component (SubRent), consisting of*
 - (1) *the adjusted total subescrow facility rent*
 - (2) *divided by the projected number of subescrow transactions;*
- (n) *the projected subescrow funds transfer component (SubFunds),*
consisting of
 - (1) *the adjusted total subescrow funds transfer*
 - (2) *divided by the corrected number of subescrow transactions;*
- (o) *the projected subescrow overhead component (SubOH), consisting of*
 - (1) *the adjusted total subescrow overhead*
 - (2) *divided by the corrected number of subescrow transactions.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2358.4 *Maximum charge for an escrow transaction*

The maximum escrow charge for an escrow transaction ($MaxEscrow_{trans}$) means

- (a) *the maximum average escrow charge ($MaxEscrow_{avg}$)*
- (b) *divided by the average escrow relativity ($EscrowRel_{avg}$)*
- (c) *multiplied by the escrow relativity for the transaction ($EscrowRel_{trans}$).*

Stated as an equation:

$$MaxEscrow_{trans} = \frac{MaxEscrow_{avg}}{EscrowRel_{avg}} * EscrowRel_{trans}$$

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2358.5 Maximum average full escrow charge

The maximum average full escrow charge (MaxEs_{avg}) means

(a) *the quantity*

(1) *the sum of*

(A) *the projected escrow facility rent (EsRent) plus*

(B) *the projected escrow taxes, licenses and fees*
(EsTLF) *plus*

(C) *the product of*

(i) *the transaction amount (Amt_{trans})*

multiplied by the sum of

a) *the projected delivery and*
recording cost (EsDelRec) plus

b) *the projected escrow*
document production and execution component (EsDoc) plus

c) *the projected escrow funds*
transfer component (EsFunds) plus

d) *the projected escrow loss*
component (EsLoss) plus

e) *the projected escrow*
overhead component (EsOther)

(2) divided by

(A) 1

(B) minus the profit factor (*Profit*) divided by the state and federal income tax factor (*SFIT*)

(C) plus the investment income factor (*InvInc*)

(D) minus the sales factor (*Sl*s);

(b) multiplied by the transaction escrow relativity ($EsRel_{trans}$).

Stated as an equation,

$$MaxEs_{avg} = \frac{EsRent + EsTLF + Amt_{trans} * (EsDelRec + EsDoc + EsFunds + EsLoss + EsOther)}{1 - \frac{Profit}{SFIT} + InvInc - Sl} * EsRel_{trans}$$

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2358.6 Maximum average subescrow charge

The maximum average subescrow charge ($MaxSub_{avg}$) means

(a) the quantity

(1) the sum of

(A) the projected subescrow rent (*SubRent*) plus

(B) the projected subescrow taxes, licenses and fees
(*SubTLF*) plus

(C) the projected subescrow funds transfer component
(*SubFunds*) plus

- (D) *the projected subescrow overhead component*
(SubOH)
- (2) *divided by*
- (A) *1*
- (B) *minus the profit factor (profit) divided by the state and federal income tax factor (SFIT)*
- (C) *plus the investment income factor (InvInc)*
- (C) *minus the sales factor (SlS).*

Stated as an equation,

$$\text{MaxSub}_{\text{avg}} = \frac{\text{SubRent} + \text{SubTLF} + \text{SubFunds} + \text{SubOH}}{1 - \frac{\text{Profit}}{\text{SFIT}} + \text{InvInc} - \text{SlS}}$$

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2358.7 Escrow relativities

(a) “Transaction escrow relativity” means the product of all of the relativities listed in the following table that are applicable to that transaction.

<i>Relativity for</i>		<i>Relativity</i>
<i>Number of parties to transaction (excluding lenders)</i>	<i>1</i>	<i>0.75</i>
	<i>2</i>	<i>1.0</i>
	<i>3</i>	<i>1.25</i>
	<i>4</i>	<i>1.5</i>
	<i>5</i>	<i>1.75</i>

<i>Relativity for</i>		<i>Relativity</i>
	<i>> 5</i>	<i>2.0</i>
<i>County in which property is located</i>	<i>Counties having a population of 100,000 or less</i>	<i>1.0</i>
	<i>Counties having a population greater than 100,000 and less than or equal to 1,000,000</i>	<i>.75</i>
	<i>Counties having a population greater than 1,000,000 and less than or equal to 9,000,000</i>	<i>.5</i>
	<i>Counties having a population greater than 9,000,000</i>	<i>1.5</i>
<i>Refinancing</i>	<i>Escrow not associated with a refinancing, no change in ownership</i>	<i>1.0</i>
	<i>Escrow associated with a refinancing</i>	<i>0.7</i>
<i>Paper/Electronic</i>	<i>Transaction in which face-to-face meeting or exchange of paper is necessary</i>	<i>1.0</i>
	<i>Transaction in which no face-to-face meeting and no exchange of paper is necessary</i>	<i>0.7</i>
<i>Bulk order</i>	<i>Transaction not part of a firm commitment to provide at least 100 orders per year</i>	<i>1.0</i>
	<i>Transaction part of a firm commitment to provide at least 100 orders per year</i>	<i>.6</i>

For purposes of this section, “population” shall be determined by the quantity most recently reported by the state Department of Finance.

(b) *A controlled escrow company may employ any endorsement factor it chooses so long as the resulting charge for a transaction does not exceed the maximum escrow charge for that transaction pursuant to section 2358.4 and does not exceed any applicable interim maximum rate pursuant to section 2358.9.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2358.8 *Interest-bearing escrow accounts*

Where a party to an escrow timely elects to have funds it deposits placed in an interest-bearing account, a controlled escrow company may charge a fee for doing so, so long as the fee is assessed and collected pursuant to a rate filed with the Commissioner as a rate for an other service pursuant to section 2359.1 or 2359.3. Nothing in this section shall be construed to reduce or supercede any rights a consumer may have, and the failure of a consumer to elect to have his or her funds placed in an interest-bearing account shall not constitute a waiver of any rights he or she may have.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2358.9 *Interim maximum rates for escrow*

(a) (1) *Except as provided in subdivision (e) of this section, commencing on October 1, 2009, no company may use any rate that produces charges for any escrow service that exceed the interim maximum rate for escrow (*InterimMaxEscrowRate*), defined as the product of*

(A) *the charge that the company would have charged for the same transaction type, based on rates in effect for the company on December 31, 2000 (*2000EscrowRate_{TransType}*), multiplied by:*

(B) *1 plus*

(i) *the escrow interim rate reduction for the transaction type (*EscrowInterimReduction_{TransType,Region}*) specified in subdivision (a)(2) of this section, multiplied by*

(ii) the sales price adjustment factor for the transaction type ($SPAF_{TransType,Region}$) specified in subdivision (b) of this section.

Stated as a formula, the interim maximum escrow charge effective October 1, 2009 is:

$$InterimMaxEscrowCharge = 2000EscrowRate_{TransType} * (1 + EscrowInterimReduction_{TransType,Region} * SPAF_{TransType,Region})$$

(2) The escrow interim rate reduction for the specified transaction type is defined as the value from the following table corresponding to the transaction type and region:

	Escrow Interim Rate Reduction		
	Bay Area	South	Rest of State
Escrow Purchase	-7.4%	-23.0%	-23.6%
Escrow Non-Purchase	-14.5%	-15.9%	-15.4%

(b) (1) The sales price adjustment factor is defined as follows, subject to the limitation that for a calculated amount less than or equal to 0 the value 0 shall be used and that for a calculated amount greater than 1 the value 1 shall be used:

(A) the quantity

(i) the sum of

(I) 0.9875 multiplied by 2000-2009 inflation factor ($InflationFactor$), defined as the change in the consumer price index series $SUUR0000SA0$, not seasonally adjusted from June 2000 to May 2009 multiplied by the change in this consumer price index from June 2008 to May 2009, plus

(II) 0.0125 multiplied by 2000-2009 change in transaction size ($ChangeTransSize$), defined as the ratio of the most current California Association of Realtors forecast of median existing single-family home sales price for 2009 to \$241,350,

(ii) divided by the sum of 1 plus the quantity

(I) *escrow charge/transaction factor for the type of transaction and region (EscrowTransFactor_{TransType,Region}), as specified, in subdivision (b)(2) of this section, multiplied by*

(II) *the 2000-2009 change in transaction size (ChangeTransSize)*

(iii) *minus 1,*

(B) *multiplied by the quantity*

(i) *1 divided by*

(ii) *the escrow interim rate reduction for the transaction type (EscrowInterimReduction_{TransType,Region}).*

Stated as a formula:

$$SPAF_{TransType,Region} = \left(\frac{9875 * InflationFactor + .0125 * ChangeTransSize}{1 + (ChangeTransSize - 1) * EscrowTransFactor_{TransType,Region}} - 1 \right) * \left(\frac{1}{EscrowInterimReduction_{TransType,Region}} \right)$$

(2) *The escrow charge/transaction factor for a specified transaction type and region means the value from the following table corresponding to the transaction type and region:*

<i>Region</i>	<i>Escrow Charge/Transaction Factor</i>	
	<i>Escrow Purchase</i>	<i>Escrow Non-Purchase</i>
<i>Bay Area</i>	<i>.18923</i>	<i>.27488</i>
<i>South</i>	<i>.39891</i>	<i>.29777</i>
<i>Rest of State</i>	<i>.40920</i>	<i>.29298</i>

(3) *The Commissioner shall publish the values of the sales price adjustment factor for escrow on or before August 1, 2009.*

(c) *Every company that charges for escrow services shall, no later than September 1, 2009, make a rate filing in conformance with this section covering the rates to be used on and after October 1, 2009.*

(1) *To the extent that a company intends to provide escrow services for which it had no filed rate on December 31, 2000, it shall identify those services in its rate filing made pursuant to this section and shall demonstrate that the rate or charge is consistent with the rate-reduction mandated by this section.*

(2) *If a company has filed rate reductions effective on or after January 1, 2001, and the resulting rates are no greater than the maximum interim rates as specified in subdivisions (a) and (b) of this section, the company has satisfied the rate reduction requirements of subdivisions (a) and (b) with respect to those rates. If a company has filed rate reductions effective on or after January 1, 2001, and the resulting rates are greater than the maximum interim rates as specified in subdivisions (a) and (b), the company shall further reduce rates to satisfy the requirements of subdivisions (a) and (b) with respect to those rates. If a company has not changed rates or has increased rates effective on or after January 1, 2001, the company shall reduce its rates to satisfy the requirements of subdivisions (a) and (b) of this section.*

(3) *Nothing in this section shall preclude a company from filing a rate at any other time, provided that the rates comply with the applicable provisions of this section and with all other applicable provisions of law. Every policy that is subject to the provisions of subdivisions (a) or (b) of this section shall be reduced to a level no greater than that prescribed in those subdivisions. Failure to reduce an existing rate on any policy or service to the level prescribed by this section shall not be excused by a greater-than-specified reduction of other rates.*

(d) *The rate for each service computed on the basis of the amount of insurance or computed as a percentage of the basic premium must satisfy the requirements of subdivisions (a) and (b). Each escrow company shall adjust its rates as necessary to ensure that the charge for a particular transaction does not exceed the amount the company would have charged for that transaction based on rates in effect on December 31, 2000 less the relevant interim rate reduction percentage.*

(e) *The provisions of subdivisions (a) through (d) of this section shall not become operative if the Commissioner has, by August 1, 2009, published all of the projection factors specified in section 2358.3 and all of the totals specified in section 2358.2. The provisions of section 2358.4 shall not be operative until the Commissioner determines and publishes all of the projection factors specified in section 2358.3 and all of the totals specified in section 2358.2, at which time subdivision (a) through (d) of this section shall cease to be operative.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.

Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

SUBARTICLE 5.

ENFORCEMENT

Section 2359.1 *Rate filings for existing rate categories*

(a) *Rate filings for title insurance policy forms, endorsements, full escrow, subescrow, discounts and surcharges established in this article and for other title insurance policy forms, endorsements, other services and other discounts and surcharges previously filed with the Commissioner shall be made, in electronic format, using the form posted on the Department of Insurance web site, www.insurance.ca.gov. The filing shall include*

(1) *a narrative description of any rate changes, including the effective date of new rates,*

(2) *a table listing rates for preliminary reports, policy forms, endorsements, escrow, subescrow, other services, discounts and surcharges,*

(3) *a complete rate manual, including a complete set of base rates, with rate changes highlighted, and a complete description of any criteria for a consumer's eligibility for a policy form, endorsement, escrow, other service, or discount and any criteria for the application of any surcharge. The absence of any stated criteria in the rate manual means that any consumer is eligible for the policy form, endorsement, escrow, other service or discount. Eligibility criteria must describe and include objective characteristics of the consumer and real estate transaction, must be sufficiently descriptive to ensure certainty about a consumer's eligibility and must be applied consistently and objectively for all consumers.*

(b) *Within 15 days of receipt of a filing, the Department shall notify the filing company of any deficiencies in the filing that cause the filing to be incomplete. An incomplete filing is not a valid filing, and the rates in an incomplete filing may not be used by the filing company. If the Department has not notified the filing company that the filing is incomplete within 15 days of receipt of the filing by the Department, the filing is deemed complete. Any notice by the Department to the filing company of deficiencies with a filing shall include a specific statement of the deficiencies.*

(c) *A copy of all filings shall be made available to the public at designated Department of Insurance offices.*

(d) *Within 60 days of the Commissioner's initial publication of data reported pursuant to the statistical plan and annual financial reporting requirements of subarticle 2, each*

company licensed to engage in the business of title insurance shall make a filing pursuant to this section.

(e) Each rate filing shall specify the date on which the filing entity intends for the filing to become effective. The entity shall commence use of the filed rates on the effective date, without any affirmative approval by the Commissioner.

(f) The effective date of a rate filing may be no earlier than the date of filing with the Commissioner.

(g) The effective date of a rate filing may be no earlier than 30 days from the date of filing with the Commissioner if the filing contains a rate increase. A filing contains a rate increase if one or more rates or charges increase from current rates and charges.

(h) The schedules of rates of every title insurer, underwritten title company, or controlled escrow company and a description of the nature of unusual risks, coverages, or services for which charges in excess of those set forth in its schedules of rates may be made pursuant to the provisions of Section 12401.8 of the Insurance Code shall be printed or typed in type not smaller than 10- point and shall be prominently displayed in a public place in each office of a title insurer, underwritten title company, or a controlled escrow company in the county to which such rates or charges apply. Such schedules and material shall be displayed for a period of not less than 30 days prior to their effective date, shall continue to be displayed so long as they remain in effect, and, on request, copies of such schedules and material or adequate summaries of the pertinent part or parts thereof shall be furnished to the public.

(i) A title insurer which is a member of an organization qualified to conduct operations as an advisory organization pursuant to Article 5.7 of Chapter 1, Part 6, Division 2 of the Insurance Code and which has adopted for its own use the forms of title policies and endorsements prepared by such organization may authorize the advisory organization to file such forms on its behalf with the Insurance Commissioner providing authorization to accept such agency filing is given in writing to the Insurance Commissioner. Such written authorization executed by the title insurer must be submitted to the advisory organization which shall then transmit a copy to the Insurance Commissioner.

(j) Where a filing by an underwritten title company includes all or a part of the schedule of rates of a title insurer whose policies of title insurance the underwritten title company is authorized by an underwriting contract to issue, the filing shall identify the title insurer by name as the source of such rates included in the filing. In lieu of the actual inclusion of the rates of the title insurer in its filing, an underwritten title company may incorporate such rates by reference. The incorporation by reference of the title insurer's filed rates shall be by written statement which shall identify the title insurer and all those rates of the title insurer that

have been adopted by the underwritten title company as its own. In the event the underwritten title company intends to be bound by all subsequent changes thereafter made by the title insurer in the rates thus incorporated by reference, a written statement clearly expressing the underwritten title company's intention to be so bound must be on file with the Commissioner to enable the incorporation by reference to provide prospective compliance with this section. When such a statement is on file, any new or revised rate filing made by the title insurer shall be deemed to be incorporated by reference in the underwritten title company's rate filing. The filing by the underwritten title company must, however, directly include a copy of the underwriting contract between the underwritten title company and the title insurer whose policies of title insurance the underwritten title company is authorized to issue. The underwritten title company must also file all amendments, when made, to its underwriting contract with a title insurer.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2359.2 *Charges in excess of maximum rates*

(a) *Any preliminary report charge, title insurance premium, escrow charge or subescrow charge in excess of the maximum permitted title premium or charge is deemed to be an excessive rate for purposes of Insurance Code Section 12401.3.*

(b) *The charging of any title insurance premium in excess of the maximum permitted title premium, or the charging of any rate in excess of the maximum permitted escrow charge, shall be deemed a willful violation if the insurer, underwritten title company, or controlled escrow company fails to make a new rate filing to reduce the premium or rate and fails to refund any excessive premium or charge paid during the period the rates were in use, in the manner provided in subsection (c) below, after receipt of any of the following:*

(1) *a notice to correct noncompliance issued pursuant to Insurance Code Section 12414.14, which shall include the identification of all rates or charges that are excessive and the Department's calculation of the maximum rate or charge to demonstrate why the company's rates are excessive,*

(2) *a notice of public hearing issued pursuant to Insurance Code Section 12414.15, which shall include the identification of all rates or charges that are excessive and the Department's calculation of the maximum rate or charge to demonstrate why the company's rates are excessive, or*

(3) *an order finding a rate violation pursuant to Insurance Code Section 12414.16, which shall include the identification of all rates or charges that are excessive*

and the Department's calculation of the maximum rate or charge to demonstrate why the company's rates are excessive.

(c) An insurer, underwritten title company or controlled escrow company shall qualify for an affirmative defense to an allegation of willfulness if the excessive premium or charge collected is returned to the overcharged party as follows:

(1) Within 30 days after receipt of a notice or order described in subsection (b) above, the recipient of such notice or order submits a complete rate filing in which no rate or charge exceeds the maximum permitted by the relevant provision of article 7.1, subarticles 3 and 4.

(2) Within 30 days of the effective date of the rate filing provided in (c)(1) above, the insurer, underwritten title company or controlled escrow company shall issue to each consumer who was overcharged an amount equal to the difference between the amount charged and the amount that would have been charged if the filing in (c)(1) had been in effect. In addition to this amount, the insurer, underwritten title company or controlled escrow company shall issue to the consumer interest on the overcharge in an amount equal to the average rate during the period the excessive rates were in effect of a United States Government ten-year bond per annum. The interest on the overcharge shall be issued to the consumer for the period from the date of original purchase to the date the restitution is paid.

(3) Within 30 days of the effective date of the filing in subsection (c)(1) above, the insurer, underwritten title company or controlled escrow company shall submit to the Commissioner a report listing each payment, including the name of the consumer, the date of original purchase, the amount of overcharge, the amount of interest and the total amount paid to the consumer.

(d) Nothing in this article shall preclude a charge less than the maximum title insurance or escrow charge. Companies are free to charge any rate that does not exceed the maximum charge so long as that rate is not inadequate, unfairly discriminatory, or otherwise in violation of the law.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.

Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2359.3 ***Filings for new policy forms, endorsements, other services, discounts, and surcharges***

(a) *A company seeking to use a new policy form, endorsement, other service, discount or surcharge shall make a filing with the Commissioner prior to the use of the new policy form, endorsement, other service, discount or surcharge that includes the following information:*

(1) *a narrative description of the form, endorsement, other service, discount or surcharge proposed, including*

(A) *a complete description of the product or service,*

(B) *a detailed explanation of how the proposed form, endorsement, other service, discount or surcharge differs from existing forms, endorsements, other services, discounts or surcharges, and*

(C) *a list of all eligibility criteria proposed for use with the new policy form, endorsement, other service, discount or surcharge;*

(2) *a proposed effective date that shall be no sooner than 30 days after receipt of the filing by the Department;*

(3) *a copy of any proposed policy form or endorsement;*

(4) *a copy of the proposed rate manual pages for the policy form, endorsement, other service, discount or surcharge, including all eligibility criteria proposed for use with the new policy form, endorsement, other service, discount or surcharge; and*

(5) *an analysis justifying the proposed rates or charges, pursuant to subsections (c), (d) and (e), below.*

(b) *A new discount or surcharge shall be a subset of an existing rate category, and the rate for the discount or surcharge shall not exceed the rate for the rate category of which the proposed discount or surcharge is a subset.*

(c) *The proposed rate for a new policy form or endorsement must be justified with an economic and actuarial analysis that*

(1) *identifies the policy form listed in section 2357.17 or the endorsement listed in section 2357.18 that the title insurer claims to have the expected losses and costs most closely equaling the new policy form; and*

(2) *demonstrates the difference between the rate for the policy form or endorsement identified in subdivision (c)(1) of this section and the proposed rate for the new policy form or endorsement is justified by specified differences in expected losses and costs and the proposed rate is reasonable and not excessive in relation to expected risk and costs. For purposes of this section, expected differences in profits or sales costs (including customer service costs) may not be taken into account in justifying a different relativity.*

(d) *The proposed rate for a new policy form or endorsement must be justified with an economic analysis that demonstrates the proposed rate is reasonable and not excessive in relation to the costs of providing the new policy form or endorsement. For purposes of this section, the analysis shall demonstrate that the provisions for profit, federal income tax, investment income, and sales cost shall be no greater than permissible for a policy charge pursuant to the provisions of section 2357.13, effective on the date the proposed rate for the new policy form or endorsement was filed.*

(e) *The proposed rates for a new discount or surcharge must be justified with an economic and actuarial analysis that establishes the amount of the discount or surcharge is reasonable in relation to expected differences in risk or costs of the proposed risk classification. For purposes of this section, expected differences in profits or sales costs (including customer service costs) may not be taken into account in justifying a different relativity.*

(f) *Within 15 days of receipt of a filing for a new policy form, endorsement, other service, discount, or surcharge, the Department shall notify the filing company of any deficiencies in the filing that cause the filing to be incomplete. Where the Department has given such notice, the filing is not effective to permit the company to charge the rates contained in the filing. If the Department has not notified the filing company that the filing is incomplete within 15 days of receipt of the filing by the Department, the filing is deemed complete. Any notice by the Department to the filing company of deficiencies with a filing shall include a specific statement of the deficiencies.*

(g) *Within 30 days of the receipt of a complete filing, the Department shall disapprove the filing if*

(1) *the proposed other service, discount, or surcharge is not materially different from an existing product, service, discount, or surcharge or if the proposed other service is for activities already included in the provision of a preliminary report, title policy, full escrow or subescrow,*

(2) *the proposed rate is excessive in relation to the reasonable costs of providing the proposed product or service, or*

(3) *the filing is otherwise in violation of law.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2359.4 *Disclosure to consumer of available discounts*

Each policy and closing statement shall be accompanied by a form enumerating each discount available under the rate filing and a notation indicating whether the consumer was or was not afforded the discount. A copy of the form shall be retained by the company for a period of three years. Neither provision nor acceptance of the form shall constitute waiver of the consumer's right to be charged the filed rate.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2359.5 *Regulation of charges for unusual risks or unusual services*

(a) *A title insurance company, underwritten title company, or controlled escrow company may impose a charge for an unusual risk or an unusual service if*

(1) *the charge is reasonably commensurate with the risks assumed for an unusual risk or the cost of the service performed for an unusual service, as demonstrated pursuant to subsection (b) of this section,*

(2) *the charge is disclosed to the person asked to pay the charge using the form specified in subsection (d) of this section no later than the earlier of*

(A) *the time of the delivery of the preliminary report, or*

(B) *15 days before closing of the real estate transaction, and*

(3) *the person asked to pay the charge agrees to do so by executing the consent specified in subsection (d) of this section.*

(b) *A charge for an unusual risk is reasonably commensurate with the risks assumed if the charge accurately reflects the expected cost of additional coverage as demonstrated by an actuarial and economic analysis. For purposes of this section, the analysis*

shall demonstrate that the provisions for profit, federal income tax, investment income, and sales cost shall be no greater than permissible for a policy charge pursuant to the provisions of section 2357.13, effective on the date the proposed rate for the new policy form or endorsement was filed.

(c) *A charge for an unusual service is reasonably commensurate with the cost of services provided if the charge accurately reflects the costs of the service as demonstrated by an actuarial and economic analysis. For purposes of this section, the analysis shall demonstrate that the provisions for profit, federal and state income tax, investment income, and sales cost shall be no greater than permissible for a preliminary report charge pursuant to the provisions of section 2357.7, effective on the date the proposed rate for the new policy form or endorsement was filed.*

(d) *The disclosure of a proposed charge for an unusual risk or unusual service shall be presented on a separate piece of paper sized 8½ inches by 11 inches, and the text of the disclosure shall be no smaller than 12-point type. The disclosure shall state the following, with bolded and capitalized text as indicated:*

***DISCLOSURE of and CONSENT
for PROPOSED EXCESS CHARGE***

*You are being asked to pay an excess charge
beyond the standard charge for an unusual risk or
unusual service.*

Description Of Unusual Risk Or Unusual Service:

*[Title insurance company, underwritten title
company or controlled escrow company provides a
description of the risk or service]*

Amount of Excess Charge:

*[Title insurance company, underwritten title
company or controlled escrow company enters the
dollar amount of the proposed charge.]*

Date Disclosure Provided to Consumer:

[Title insurance company, underwritten title company or controlled escrow company enters the date the disclosure was provided to the consumer.]

Do not sign this disclosure and consent form unless all of the following are stated above:

A complete description of the proposed unusual risk or unusual service, the proposed charge, the date you received the disclosure.

Do not sign this disclosure and consent form unless you received the disclosure no later than the earlier of the delivery of the preliminary report or 15 days prior to closing; and you believe the cost is reasonable.

You are not required to accept the excess charge.
However, the title insurance company, underwritten title company or controlled escrow company may decline your business if you do not accept the charge. The Insurance Commissioner encourages you to shop around if you feel the excess charge is unreasonable.

The proposed charge for the unusual risk or unusual service must be commensurate with the costs of providing the additional coverage or the additional service. The proposed unusual risk may not be a coverage already included in the proposed title policy. The proposed unusual service may not be a service included in standard escrow or other services filed with the Department of Insurance, a list of which is available for your review.

Name of Consumer:

Address of Property That is Subject of Title or Escrow:

*Name of Title Insurance Company, Undewritten
Title Company or Controlled Escrow Company
Proposing the Excess Charge:*

I accept the excess charge described above.

Signature:

Date:

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2359.6 Hearings on rates and charges

(a) *This section applies to any hearing on a company's rates or charges pursuant to Insurance Code Sections 12414.13-12414.18.*

(b) *The hearing shall be for the purpose of determining whether*

(1) *the premium, rate, or charge at issue exceeds the maximum permitted rate or charge calculated pursuant to subarticle 3 or subarticle 4 of this article; or*

(2) *the premium, rate, or charge at issue is inadequate, unfairly discriminatory, or otherwise in violation of the law.*

(c) *In a hearing on an insurer's rates or charges, relitigation of a matter already determined by these regulations is out of order and shall not be permitted.*

(d) *In a hearing in which suspension or revocation of a company's license or certificate of authority is at issue, the hearing shall be governed by chapter 5 of part 1 of division 3 of title 2 of the Government Code. In all other hearings conducted pursuant to this article, the procedures shall be determined by the Administrative Law Judge in accordance with article 1 of subchapter 4.5 of this title of the Code of California Regulations.*

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, and 12401.21 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

Section 2359.7 Rating examinations

The Commissioner may, as often as may be reasonable and necessary to assure compliance with the standards and requirements of Article 5.5 and Article 7.1 of Chapter 1, Part 6, Division 2 of the Insurance Code and with such other provisions of the Insurance Code as relate to the business of title insurance, examine every advisory organization, title insurer, underwritten title company or controlled escrow company. Such examination of a title insurer, underwritten title company, or controlled escrow company may include a review of the books, record, accounts, rates, charges, fees, rating plans, rating systems, underwriting rules or policy forms adopted and used by such person or entity and the loss or expense experience and the data, statistics, or information collected or used by it in determining or establishing the rates, charges, fees, rating plans, rating systems, underwriting rules or policy forms which it has adopted and uses. Such examination may include a review of the statistical plan and financial data reports submitted pursuant to subarticle 2. Such examination shall not be a part of a periodic general examination participated in by a representative of more than one state.

NOTE: Authority: Sections 12389, 12397.5, 12401.3, 12401.5, 12401.21, and 12407 of the Insurance Code; *20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.
Reference: Sections 12401.1-12401.2, 12401.7-12401.9 of the Insurance Code.

TITLE 10. INVESTMENT
CHAPTER 5. INSURANCE COMMISSIONER
SUBCHAPTER 3. INSURERS
~~ARTICLE 14. TITLE INSURANCE~~

~~Section 2555. Authority:~~

~~These regulations are promulgated pursuant to the authority granted to the Insurance Commissioner by Sections 12389, 12401.5, and 12414.21 of the Insurance Code.~~

~~Note: Authority cited: Section 12389, 12401.5 and 12414.21, Insurance Code.~~

~~Section 2555.1. Purpose:~~

~~The purpose of these regulations is to set forth the rules and procedures necessary to promote the regulation of rates for the business of title insurance to the end that such rates shall not be excessive, inadequate or unfairly discriminatory and to otherwise implement the provisions of Chapter 1, Part 6, Division 2 of the Insurance Code.~~

~~Section 2556. Maintenance of Records:~~

~~(a) Every title insurer, underwritten title company, or controlled escrow company shall maintain records of the policy forms, underwriting rules, rates, charges, fees, rating plans or rating systems used by it, including a recording of special charges in excess of those set forth in its schedules or rates which it has made for unusual risks, coverages, or services, and the factors and conditions which served as a basis for such special charges; the basic classifications of coverages and services used as the basis for determining rates; and the loss or expense experience and the data, statistics or information collected or used by it in determining or establishing the rates, charges, fees, rating plans, rating systems, underwriting rules or policy forms which it has adopted and uses.~~

~~(b) The schedules of rates of every title insurer, underwritten title company, or controlled escrow company and a description of the nature of unusual risks, coverages, or services for which charges in excess of those set forth in its schedules of rates may be made pursuant to the provisions of Section 12401.8 of the Insurance Code shall be printed or typed in type not smaller than 10- point and shall be prominently displayed in a public place in each office of a title insurer, underwritten title company, or a controlled escrow company in the county to which such rates or charges apply. Such schedules and material shall be displayed for a period of not less than 30 days prior to their effective date, shall continue to be displayed so long as they remain in effect, and, on request, copies of such schedules and~~

~~material or adequate summaries of the pertinent part or parts thereof shall be furnished to the public.~~

~~Section 2556.1. Filing of Rates and Reporting of Statistics.—~~

~~(a) Every title insurer, underwritten title company, and controlled escrow company shall file with the commissioner:~~

~~(1) Its schedules of rates, which shall set forth the charges for each type of services offered, and every modification thereof which it proposes to use.~~

~~(2) Every rating plan or rating system used by it to further divide or modify the rates for classifications of title policies, coverages, or services offered.~~

~~(3) A description of the nature of unusual risks, coverages, or services for which excess charges may be made pursuant to the provisions of Section 12401.8 of the Insurance Code and the criteria for determining when such charges shall apply.~~

~~(4) The loss or expense experience and the data, statistics, or information collected or used by it as the basis for and in support of its use of the rates, rating plans, and charges filed.~~

~~(b) Every title insurer shall file with the Insurance Commissioner all regularly issued forms of title policies and every modification thereof which it proposes to use, or which it proposes, pursuant to the terms of an underwriting contract with an underwritten title company, to authorize for use by such underwritten title company:~~

~~(c) An underwritten title company which is authorized by an underwriting contract to issue the policies of title insurance of a title insurer may use the forms of title policies and endorsements filed by that title insurer with the Insurance Commissioner and no other.~~

~~(d) Every filing pursuant to Subsections (a) and (b) of this section shall set forth its effective date, which shall be no earlier than the 30th day following its receipt by the Commissioner.~~

~~(e) A title insurer which is a member of an organization qualified to conduct operations as an advisory organization pursuant to Article 5.7 of Chapter 1, Part 6, Division 2 of the Insurance Code and which has adopted for its own use the forms of title policies and endorsements prepared by such organization may authorize the advisory organization to file such forms on its behalf with the Insurance Commissioner providing authorization to accept such agency filing is given in writing to the Insurance Commissioner. Such written authorization executed by the title insurer must be submitted to the advisory organization which shall then transmit a copy to the Insurance Commissioner.~~

~~(f) Where a filing by an underwritten title company includes all or a part of the schedule of rates of a title~~

insurer whose policies of title insurance the underwritten title company is authorized by an underwriting contract to issue, the filing shall identify the title insurer by name as the source of such rates included in the filing. In lieu of the actual inclusion of the rates of the title insurer in its filing, an underwritten title company may incorporate such rates by reference. The incorporation by reference of the title insurer's filed rates shall be by written statement which shall identify the title insurer and all those rates of the title insurer that have been adopted by the underwritten title company as its own. In the event the underwritten title company intends to be bound by all subsequent changes thereafter made by the title insurer in the rates thus incorporated by reference, a written statement clearly expressing the underwritten title company's intention to be so bound must be on file with the Commissioner to enable the incorporation by reference to provide prospective compliance with this section. When such a statement is on file, any new or revised rate filing made by the title insurer shall be deemed to be incorporated by reference in the underwritten title company's rate filing. The filing by the underwritten title company must, however, directly include the supporting data and information specified in item (4) of Section 2556.1(a), a copy of the underwriting contract between the underwritten title company and the title insurer whose policies of title insurance the underwritten title company is authorized to issue, and all other material specified in Section 2556.1(a) which has not been incorporated by reference in its filing. The underwritten title company must also file all amendments, when made, to its underwriting contract with a title insurer.

(g) Commencing 120 days following January 1, 1974, no title insurer, underwritten title company, or controlled escrow company shall charge for any title policy or service in connection with the business of title insurance except in accordance with rate filings which have become effective pursuant to the provisions of this article and of Article 5.5 (commencing with Section 12401) of Chapter 1, Part 6, Division 2 of the Insurance Code provided, however, that where a rate is on file with the Commissioner, and in effect immediately prior to such date, such rate shall continue in effect unless and until terminated pursuant to Subsection (h) of this section:

(h) Every rate on file with the Commissioner and in effect immediately prior to May 1, 1974, by reason of a previous filing which does not conform to the requirements of this section shall be refiled pursuant to the procedure specified in Subsection (a) or (f) hereof on or before May 1, 1974, to permit its continued use. Failure to complete such refile by May 1, 1974, shall terminate the effectiveness of any such rate as of May 31, 1974. Any refile of such rate subsequent to May 1, 1974, or a new filing in substitution therefor, shall become effective pursuant to the provisions of Subsection (d) of this section:

Section 2556.2. Rating Examinations:

The Commissioner may, as often as may be reasonable and necessary to assure compliance with the standards and requirements of Article 5.5 of Chapter 1, Part 6, Division 2 of the Insurance Code and with such other provisions of the Insurance Code as relate to the business of title insurance, examine every advisory organization, title insurer, underwritten title company or controlled escrow company. Such examination of a title insurer, underwritten title company, or controlled escrow company may

include a review of the rates, charges, fees, rating plans, rating systems, underwriting rules or policy forms adopted and used by such person or entity and the loss or expense experience and the data, statistics, or information collected or used by it in determining or establishing the rates, charges, fees, rating plans, rating systems, underwriting rules or policy forms which it has adopted and uses. Such examination shall not be a part of a periodic general examination participated in by a representative of more than one state.